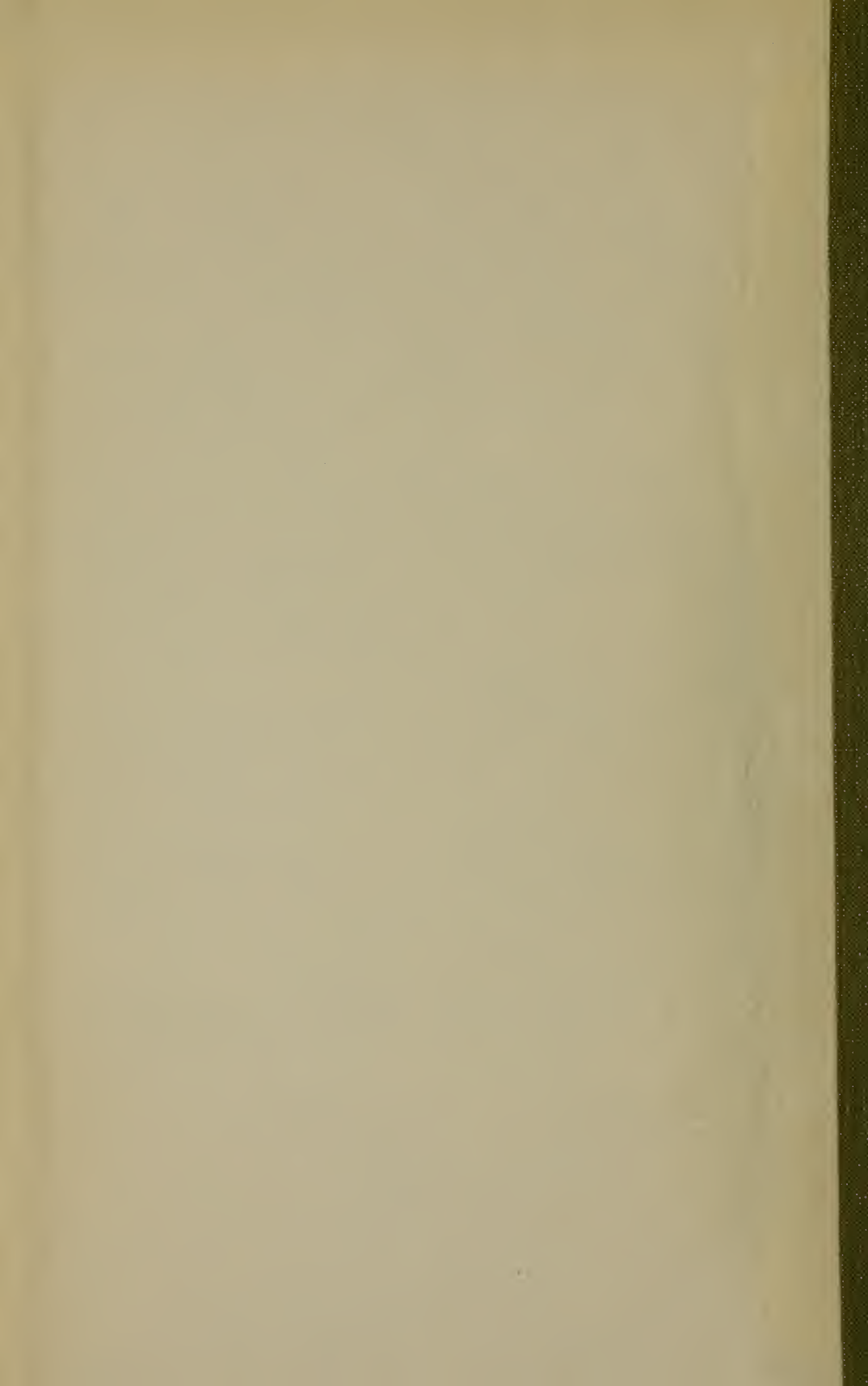


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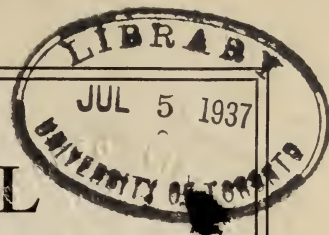


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# COMMERCIAL INTELLIGENCE JOURNAL

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Canadian Flour being unloaded at Hongkong

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ISSUED BY AUTHORITY OF  
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE  
JAMES G. PARMELEE, DEPUTY MINISTER

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# COMMERCIAL INTELLIGENCE JOURNAL

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Vol. LVII

Ottawa, July 3, 1937

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## IMPORT STATISTICS

The Bureau of Statistics regrets that the monthly statements covering imports into Canada will be issued somewhat later than usual for the months of May and June.

The Department of National Revenue, which compiles the trade statistics of Canada in the first instance, has adopted a new system of compiling import data, and the delay is occasioned by difficulties in changing from the old to the new system.

It is hoped that these may soon be overcome, and that with all despatch the import statistics will again be issued at the regular time.

## AGRICULTURAL POLICY IN THE UNITED KINGDOM

W. A. WILSON, AGRICULTURAL PRODUCTS TRADE COMMISSIONER

London, June 7, 1937.—During the last week in May, in the House of Commons, the Minister of Agriculture gave an outline of the Government's agricultural policy. Having regard to the production of the maximum quantity of food to meet the needs of the situation in the time of war, on the one hand, and of the efficient development of agriculture in the time of peace, on the other hand, the Minister stated that "the Government are satisfied that the best course in the general national interest is to continue their efforts to improve the general prosperity and efficiency of home agriculture, and, in particular, to increase the fertility and productivity of our soil."

Both factors are fundamental to the success of agriculture, and proof of the latter, if it were necessary, lies in the practice of farmers who specialize in the production of potatoes, for instance, and who stock their feeding yards and pastures with store cattle, although the conditions of the fat cattle trade, present or prospective, may offer very little, if any, prospect of profit. They need the live stock on the grassland and also in the yards to convert the roughage into natural fertilizer. Their policy is dictated by the knowledge that economic yields are in keeping with the fertility of the land and they plan to keep it in proper condition.

The Minister expressed the hope of shortly being able to announce proposals for the future of the milk and pig industries, as the policy already adopted by the Government, of initiating proposals for dealing with particular agricultural products, will continue. The immediate proposals, however, are designed to benefit agriculture and the nation, generally, in any prospective eventuality.

## SUMMARY OF MEASURES

The principal features which the Minister announced are briefly summarized as follows:—

(1) For a limited period of years the cost to the farmers for lime and basic slag, both of which are home produced, will be reduced by 50 and 25 per cent respectively, in order to help them to increase the fertility of the soil and grasslands by an increased use of these fertilizers.

(2) The Exchequer grants for land drainage will be extended and provision will be made to undertake some other essential works at an estimated cost up to £450,000 in any one year.

(3) Encouragement will be given to further experiments in connection with grasslands in order to increase supplies of home-grown feeding stuffs.

(4) A scheme will be adopted to eradicate diseases among cattle, which is estimated to cost the Exchequer £600,000 more for the first four years, but decreasing local expenditure about £170,000. It will involve centralization of public veterinary services.

(5) The Attested Herd Scheme, under the Milk Act of 1934, has been amended to provide additional assistance to owners of dairy stock who wish to eradicate tuberculosis from their herds.

(6) To stimulate production and increase the wheat acreage, the limit of the "anticipated supply," which now stands at 6,000,000 quarters, will be raised to 8,000,000 quarters annually.

(7) Growers of oats and barley, not receiving benefit under the Wheat Act, will receive a standard price of 8s. per cwt., and there will be a national standard acreage for both.

## LIVE STOCK INDUSTRY BILL

It has been recognized that owing to the long period of the depression, farmers had found it difficult to bear the cost of the lime and basic slag that was necessary to maintain the proper soil condition in both cultivated and grass lands, and the decreased application of these fertilizers has resulted in a noticeable depreciation of the fertility of the land. The object of the proposal is to replace the lost fertility because both in time of peace or in the case of emergency the investment in the soil will prove valuable. The improvement of the grasslands fits in particularly well with the provisions of the Live Stock Industry Bill, which is designed to promote the efficiency of the live stock industry, and provides financial inducements in subsidy payments on a "quality basis" for finishing cattle properly for the markets. For home-grown cattle the subsidy is 7s. 6d. and 5s. per cwt. on a dressing weight of 57 and 54 per cent, and for imported cattle 5s. and 2s. 6d. per cwt. respectively. It is associated, too, with the experiments which the Government are proposing to assist in connection with potentialities of dried grass as a possible addition to home-grown supplies of feeding stuffs.

## ERADICATION OF ANIMAL DISEASES

The campaign for the eradication of animal diseases in Great Britain has been received with satisfaction because it is recognized that, directly and indirectly, there is a heavy wastage and loss, especially among cattle, where the initial efforts will be mainly directed. Towards this end the Tuberculosis (Attested Herds) Scheme, under the Act of 1934, has been amended to provide additional financial assistance in England and Wales, as has already been done in Scotland, to owners of dairy stock who are desirous of eradicating tuberculosis from their herds. The revised scheme became operative on June 1.

Under the 1935 scheme the qualifying tests that were necessary before an official test could be applied were made wholly at the expense of the owner of the herd. The present scheme provides for assistance towards the cost of qualifying tests not exceeding four in the case of any herd which has been tested with tuberculin and has revealed not more than a specified proportion (about 10 per cent) of reactors. The owner must comply with certain conditions, including the disposal of reactors immediately after each test and the disinfection



tion of premises. The contribution which the Ministry offers towards the cost of each of these assisted tests is at the rate of 2s. 6d. per animal tested, plus a flat rate of £1 1s. per herd. The contribution in the case of a herd of, say, forty cattle will thus amount to £6 1s. in respect of each herd test. Before a herd will be accepted for these "assisted" tests, the Ministry will satisfy itself that the management of the herd and the conditions in which it is kept are suitable for the proper observance of the rules applicable to attested herds. All milk sold through the provisions of the Milk Marketing Scheme from an attested herd will qualify for the payment, by the Ministry, of a bonus of one penny per gallon.

#### DEFICIENCY PAYMENTS

The production of millable wheat during the past two years has exceeded the anticipated supply of 6,000,000 quarters, stipulated under the Wheat Act of 1932, and as the deficiency payments are made on a pro rata basis, the standard price to the farmers of 45s. a quarter has been adjusted accordingly. The increase in the annual quantity available for the deficiency payment will thus give additional insurance and encouragement to wheat growers.

The assistance to growers of oats and barley will apply only to those not receiving benefits under the Wheat Act. There will be a standard price of 8s. per cwt., and a national standard of acreage will be determined. Payment will be made to the grower in respect of each eligible acre and will be calculated on the basis that, on an average, about 6 cwt. per acre are sold off farms. Payment will therefore be equal to six times the difference between the standard price of 8s. per cwt. and the average market price over a period. If the total acreage eligible for the subsidy exceeds the national standard acreage, the rate per acre will be reduced proportionately. In no case will the payment exceed £1 per acre. It is estimated that if prices were to fall to the lowest level of recent years, the Exchequer liability in any year in respect to both oats and barley would not exceed £1,750,000.

### FEEDSTUFFS IN THE UNITED KINGDOM MARKET

H. L. BROWN, ASSISTANT TRADE COMMISSIONER

#### II

#### MANUFACTURE OF FEEDSTUFFS IN THE UNITED KINGDOM

Some valuable statistical information, compiled for the purposes of the Import Duties Act Inquiry, is helpful in indicating the proportions of the domestic manufacture of feedstuffs, although the recorded output is probably seriously deficient by reason of the omission of small firms in many of the phases of industry indicated. The data from three distinct reports have been brought together in the following composite table; as a result note must be taken that poultry feeds are produced by the cattle, dog, and poultry feed trades, the grain-milling trade, and the seed-crushing trade, and, in addition, animal and poultry feeds (chiefly dog biscuits) were manufactured by the biscuit trade to the value of £8,000 in 1934 and £7,000 in 1933; also that maize products are manufactured by the seed-crushing trade in addition to the grain-milling trade; and that ground oil seed cake is produced by the cattle, dog, and poultry feed trades as well as the seed-crushing trade, and, additionally, the grain-milling trade produced 7,000 tons (£83,000) in 1934 and 9,000 tons (£76,000) in 1933.

*The Cattle, Dog, and Poultry Feed Trades*

	1934		1933	
	Tons	£	Tons	£
	(000's omitted)			
Feeding stuffs for animals: (except dog foods)				
Oil seed cake, ground.. . . .	35.5	287	45.0	346
Molasses feeds <sup>1</sup> .. . . .	21.1	114	13.2	71
Compound cake and meal—				
Sweetened.. . . .	359.5	2,578	272.9	2,011
Unsweetened.. . . .	107.5	885	83.1	678
Fish meal.. . . .	67.8	897	56.7	755
Meat meal <sup>2</sup> .. . . .	29.1	250		
Other feedstuffs.. . . .	103.8	711	94.0	670
Dog biscuits and hound meal.. . . .	46.6	1,116	41.3 <sup>3</sup>	1,014 <sup>3</sup>
Other dog foods.. . . .	6.6	197	10.2 <sup>4</sup>	221 <sup>4</sup>
Poultry feeds <sup>5</sup> .. . . .	184.7	1,884	197.5	1,982
Medicines, spices, etc. <sup>6</sup> .. . . .	....	511	....	475
Total, principal products.. . . .	....	9,430	....	8,223

<sup>1</sup> Includes any feeding stuffs composed of treacle or molasses with an absorbent, containing not less than 10 per cent sugar.

<sup>2</sup> So far as recorded separately

<sup>3</sup> Described as "dog biscuits."

<sup>4</sup> Includes some "hound meal."

<sup>5</sup> Includes grits and bird seeds prepared and mixed.

<sup>6</sup> Includes medicines, spices and condiments for animals, poultry, etc.

*The Grain-milling Trade*

	1934		1933	
	Tons	£	Tons	£
	(000's omitted)			
Wheat products:				
Meal and flour.. . . .	3,982	41,914	3,878	43,291
Bran and pollard.. . . .	722		748	
Sharps and middlings.. . . .	842		918	
Other products.. . . .	26		33	
Total, wheat products.. . . .	5,572	41,914	5,577	43,291
Oat products:				
Meal.. . . .	56.4	1,226	42.3	1,146
Groats, rolled oats, etc. . . . .	35.0		49.7	
Other products.. . . .	27.5		21.3	
Crushed oats <sup>7</sup> .. . . .	65.1		69.5	
Total, oat products.. . . .	184.0	1,711	182.8	1,612
Crushed oats, n.o.p. <sup>8</sup> .. . . .	269.4	1,807	198.9	1,291
Barley products:				
Meal and flour.. . . .	199.9	1,355	202.8	1,267
Pearled barley.. . . .	2.7	44	2.8	42
Total, barley products.. . . .	202.6	1,399	205.6	1,309
Maize (corn) products:				
Flaked maize <sup>7</sup> .. . . .	36.7	218	19.5	114
Meal (etc.) <sup>9</sup> .. . . .	1,218.4	6,789	1,142.5	6,051
Total, maize products.. . . .	1,255.1	7,007	1,162.0	6,165
Rice products:				
Flour, etc. <sup>10</sup> .. . . .	31.4	271	49.8	513
Other products.. . . .	38.3	387		
Total, rice products.. . . .	69.7	658	49.8	513
Peas:				
Meal and flour <sup>7</sup> .. . . .	6.4	65	6.0	52
Split peas.. . . .	6.7	85	8.3	98
Total, pea products.. . . .	13.1	150	14.3	150
Bean flour and meal <sup>7</sup> .. . . .	14.0	106	13.9	106
Lentils, split.. . . .	6.3	87	11	11
Rye meal and flour.. . . .	1.9	12	0.7	5
Other meal, flour, etc. . . . .	18.3	147	22.6	156
Poultry feeds and mash <sup>7</sup> .. . . .	199.6	1,537	186.7	1,397
Screenings <sup>12</sup> .. . . .	4.3	21	6.6	24
Other manufactured cereals.. . . .	4.3	56	12.6	127
Total, milled products.. . . .	....	56,612	....	56,146
Hay and straw, chopped.. . . .	17.4	73	14.9	56
Peat and moss litter <sup>7</sup> .. . . .	53.9	65	52.3	64

<sup>7</sup> So far as recorded separately.

<sup>8</sup> Includes crushed oats and other animal and poultry feeding stuffs not elsewhere specified.

<sup>9</sup> Includes meal, flour and other milled products of maize, but not starch.

<sup>10</sup> Includes rice flour and ground or granulated rice.

<sup>11</sup> Not separately recorded.

<sup>12</sup> Refers to screenings not elsewhere included.

*Seed-crushing Trade*

	1934		1933	
	Tons	£ (000's omitted)	Tons	£
Cottonseed.. . . .	369.1	1,594	251.3	1,252
Groundnut <sup>13</sup> .. . . .	33.8	203	37.3	248
Linseed.. . . .	130.1	1,139	181.7	1,466
Palm kernel.. . . .	57.0	315	61.2	323
Rape seed.. . . .	12.4	50	12.8	54
Soya bean.. . . .	115.6	720	91.5	621
Compound.. . . .	669.1	4,646	570.0	3,984
Other.. . . .	61.0	276	56.1	284
Total.. . . .	1,448.1	8,943	1,261.9	8,232

<sup>13</sup> Arachide and peanuts.

Other products of seed-crushing trade:—

	1934		1933	
	Tons	£ (000's omitted)	Tons	£
Maize products.. . . .	21	118	22	127
Poultry feeds.. . . .	19	168	17	144

The milk trade produced 74,000 cwts. valued at £183,000 of milk powder in 1934, as contrasted with 3,000 cwts. valued at £5,000 in 1933, but it is not possible to suggest what proportion may have been used in feedstuffs for animals or poultry.

## GRAIN

The grain trade is of such long standing and so extensive in its ramifications that a discussion at this time is hardly necessary, even if limitations of space were to permit. Then too importations are on a tremendous scale, and for such diverse purposes that it is impossible to segregate the quantity destined for any one use. Importations of wheat total over 100,000,000 cwts. (112 pounds) valued at over \$150,000,000 annually; barley imports amount to over 15,000,000 cwts. valued at some \$20,000,000; oats, even in recent years, amount to over 3,500,000 cwts. valued at about \$5,000,000 a year; and maize totals 60,000,000 cwts. valued at over \$60,000,000. This tremendous volume of grain is, of course, primarily intended as food for human consumption, but in its preparation, as has been already noted, large quantities of by-products are derived, and these find their principal market as feedstuffs for animals and are used either as they come from the mill or blended with other feeds. In addition to the importations there is, of course, a large local production of grain which is consumed as food and feed and which gives rise to an even greater proportion of feed than does the imported grain, due to the quantity of screenings.

Wheat in the grain is not used for feeding to anywhere near the same degree proportionally as it is in Canada; it is too expensive in comparison with other equally efficient feeds. Oats are very largely used; their well-balanced composition makes them suitable and safe for most animals and their cost is within the limits of many buyers. Although usually regarded as less suitable for hogs because of their high fibre content, and because cheaper foods serve as well or better, nevertheless oats when ground have given satisfactory results in the rations of bacon hogs. Feeding barley has been found especially suitable for feeding hogs and is used mostly for that purpose; it is also used occasionally for horses and, mixed with cotton or other cake rich in protein, has been found excellent for sheep. Maize finds many industrial uses but it is also a valuable feedstuff. Buckwheat is used in very small amounts.



## USE OF BEANS

Another group of cereals is comprised of the various types of beans. Some of these, notably locust beans and butter beans, are not grown in Canada. Importations of locust beans totalled 45,801 long tons (£186,795) in 1933, 36,115 tons (£177,350) in 1934, and 26,274 tons (£139,546) in 1935; Cyprus was by far the leading source of supply, but fair quantities came from Greece and Portugal. Importations of butter beans amounted to 248,019 cwt. (112 pounds) valued at £169,071 in 1933, 232,389 cwt. (£123,673) in 1934, and 140,451 cwt. (£114,395) in 1935. Madagascar was the only supplying country of importance. Ordinary beans and peas<sup>1</sup> are imported largely for human consumption, but certain types and grades are used as feedstuff; by-products, particularly the meals, also find a definite though small demand as feeds. Bean meal is officially defined: "The meal obtained by grinding commercially pure beans of the species (1) *vicia faba* (synonym *faba vulgaris*) or any of its varieties, commonly known as 'horse bean,' 'field bean,' or 'broad bean'; or (2) *phaseolus vulgaris*, the 'true haricot bean' or any of its varieties, white or coloured." Pea meal is officially defined: "The meal obtained by grinding commercially pure peas, as grown, of varieties of *Pisum sativum* or *Pisum arvense*."

## GRAIN MEALS

The grains are, however, fed in fair quantities in the form of meals of various types and grades. The supplies of many of these are ground almost entirely in the United Kingdom, as, for example, barley meal and also wheat meal, the importations of both of which are very limited.

## BARLEY MEAL

Barley meal is sold in two grades: No. 1, which is 96 per cent pure barley; and No. 2, which is 90 per cent pure. This is the basis of all sales which require a guarantee of purity. The colour must be as white as possible and the grinding fine. Sales are usually based on sample. Imports in the past five years have averaged about 20,000 cwt. (112 pounds) valued at about £6,000 annually, but have declined consistently.

## MAIZE MEALS

The official definitions are: Maize and Indian meal: "The meal obtained by grinding commercially pure maize or Indian corn, as grown." Flaked maize: "The product obtained by cooking and flaking commercially pure maize or Indian corn, either as grown or from which the germ, in whole or in part, has been removed." Maize germ cake or meal: "The residue resulting from the removal of oil from maize germs, to which no other matter has been added." Maize gluten feed: "A by-product resulting from the removal of starch and germ from maize, to which no other matter has been added."

Maize is pre-eminently a fattening food, although it can be used successfully for working and milking animals when its deficiency in protein and ash is appreciated. The commercially-steamed grain, rolled into thin flakes and dried, has been found high in respect of digestibility and feeding value, being a highly concentrated and digestible carbohydrate feed.

Gluten meal is a maize by-product which is separated in the manufacture of glucose for brewing; it is very rich in protein. Gluten feed is somewhat similar but contains less protein. Importations of meal and other milled pro-

<sup>1</sup> A report on "Dried Peas in the London Market" was published in *Commercial Intelligence Journal* No. 1682 (April 25, 1936), and one on "Haricot Beans in the London Market" in *Commercial Intelligence Journal* No. 1687 (May 30, 1936).

ducts of maize (not including edible starch) reach substantial proportions and were particularly heavy in 1935; the following table indicates quantities in cwts. of 112 pounds and values in pounds sterling:—

*Imports of Meal and Other Milled Products of Maize*

	1933		1934		1935	
	Cwts.	£	Cwts.	£	Cwts.	£
Total.. . . .	1,812,252	448,970	2,334,200	646,282	4,265,410	1,301,738
South Africa.. .	1,384,850	312,904	1,819,330	449,882	3,607,927	810,302
France.. . . .	170,139	40,006	332,784	72,837	451,629	102,584
Canada.. . . .	12,970	31,097	31,430	76,234	139,547	368,721
Belgium.. . . .	163,191	44,678	103,006	34,586	42,897	14,014
Argentina.. . . .	18,658	4,434	33,234	7,104	13,673	2,995

Maize meal proper requires a protein content of about 11 per cent and an oil content of about 10 per cent. The colour should be a good yellow and the consistency fine. It is purchased in minimum lots of 25 tons but more frequently in large quantities, packed in bags of 112 pounds. Sales are usually based on samples.

OAT MEALS AND FEEDS

Oatmeal and rolled oats for feeding require no analysis but should be of good colour, well kiln-dried and free from husk, foreign seeds, and other extraneous material; a "nutty" flavour is desirable. Oatmeal is usually sold in the grades pinhead, medium, and oat-flour; rolled oats are described as of large or small flake. Oatmeal is generally purchased in bags of 140 pounds, while rolled oats is generally in bags of 112 pounds. Rolled oats are intended primarily for human consumption, and only the poorest and therefore the cheapest grades are used as feedstuffs. Oatmeal, however, while also intended principally for human use, finds a fairly extensive sale as chick feed.

Ground oats are, as the name implies, low-grade oats ground whole for feed. Oatfeed consists largely of oat husk, broken grains, screenings, etc., ground to an even and fine consistency. Both are used principally as poultry feed and no analysis is ordinarily expected. Packing is in bags of 112 pounds or 140 pounds, and shipment is in minimum lots of 25 long tons. An opportunity very definitely exists at the present time for Canada to supply oatfeed. Oatmeal importations have fluctuated greatly, but the trend in the past five years has been downward, from 294,858 cwts. valued at £154,845 in 1931 to 42,599 cwts. valued at £21,817 in 1935. The quantity from Canada has suffered less decline than that from any other country, and in 1935 practically the entire amount was supplied by Canada.

The importations of other oat products (including groats and rolled oats), while decreasing, are still of importance, amounting to:—

	1933		1934		1935	
	Cwts.	£	Cwts.	£	Cwts.	£
Total.. . . .	595,709	477,033	488,567	428,737	376,535	428,601
Canada.. . . .	397,414	410,412	402,704	404,937	374,377	426,678
Germany.. . . .	182,944	59,786	77,077	20,545	545	311
United States.. .	2,752	2,878	698	990	695	963

It will be noted that the decrease, while affecting Canada, has had the effect of leaving Canada as the only overseas supplier of importance.

RICE BRAN OR MEAL

Rice bran or meal is officially defined: "The by-product produced in milling shelled rice, to which no other matter has been added." Rice meal is most variable in composition; it may contain a high percentage of digestible

protein and oil, or may be full of indigestible fibre. Analysis is therefore very important. The usual requirements are: protein minimum, 12 per cent; fibre maximum, 8 per cent; oil, about 11 per cent. The colour is grey-white and the grinding must be fine and even. Purchases are usually based on sample.

Rice meal and dust are imported almost entirely from rice-producing countries. The total importations in 1935 amounted to 263,559 long tons (£948,420) compared with 271,489 long tons (£852,259) in 1934. The principal supplying countries were: British India (221,749 tons, £809,148, in 1935); French Indo-China (23,508 tons, £78,726); and Siam (7,196 tons, £21,899).

## WHEAT OFFALS

### DESCRIPTION

Wheat offals, or millers' offals, are officially defined: "A product of wheat separated in the process of milling and containing not more than 4 per cent of vegetable substances, other than wheat, extracted from wheat in the process of cleaning by the maker of the offals in the production of flour"; under the United Kingdom Wheat Act, 1933, "'wheat offals' means the residual products which in the process of milling wheat are extracted therefrom as germ or for animal or poultry food." Subsection 2 (b), section 20, of the same Act is of importance: "If in any parcel containing substances produced by the milling of wheat the weight of those substances, other than wheat offals, does not exceed  $7\frac{1}{2}$  per cent of the weight of the parcel, the parcel shall be deemed not to contain flour." In other words, if middlings, etc., contain over  $7\frac{1}{2}$  per cent of the products of milling, other than wheat offals (i.e. flour), then the parcel shall be deemed to be of flour—and will be assessed import duty accordingly.

### TWO CLASSES

Wheat offals or wheat feed manufactured in the United Kingdom are divided into two classes, fine and coarse offals. The fine offal is known under a variety of names such as sharps, middlings, thirds, parings, boxings, etc. Coarse offal consists chiefly of bran. There is no statutory definition, but the Feeding Stuffs Act of 1926, by requiring the amount of fibre in the statutory statement (for domestic sales), provides an indication as to whether any parcel of material is fine or coarse. The members of the National Association of British and Irish Millers, Ltd., have agreed that no offals should be described as fine offals if carrying a declaration of fibre content higher than 6.75 per cent; to this percentage the Act allows a variation of  $12\frac{1}{2}$  per cent, so the dividing line used by the association becomes 7.5 per cent. The term "weatings," which is obtaining common usage, is a registered name for fine offals (guaranteed not more than 5.75 per cent fibre) and superfine (guaranteed not more than 4.5 per cent fibre) sold by members of the Millers' Mutual Association and may be used only by members of that association.

In the annual statement of trade of the United Kingdom importations of wheat offals are listed under the heading "cereal by-products," with sub-headings, bran and pollard, sharps and middlings. The import statistics are compiled from particulars furnished by importers, who are required by law to give in their Customs entries full particulars of the goods imported by them; in these cases the descriptions shown above are deemed sufficient for the purposes of statistical registration. Although the description "shorts" is not met with in Customs documents in connection with feedstuffs, it is understood by the Customs to be associated with bran and pollard.



## BRAN AND POLLARD

Importations of bran and pollard are on an extensive scale and amounted to over 425,000 long tons valued at nearly \$9,500,000 in 1935. Details concerning the principal suppliers in recent years are as follows: quantities are given in long tons and values in pounds sterling:—

	1933		1934		1935	
	Tons	£	Tons	£	Tons	£
Total.. . . .	348,104	1,379,486	386,861	1,644,886	425,068	1,892,890
Argentina.. . . .	181,985	704,693	208,069	801,100	223,327	940,903
Australia.. . . .	14,341	71,429	46,876	269,452	42,077	232,632
Holland.. . . .	24,066	104,303	30,802	139,285	48,178	228,574
Brazil.. . . .	26,029	89,538	16,043	67,562	44,433	183,283
Canada.. . . .	19,597	90,601	10,586	55,409	11,900	60,357
Chile.. . . .	10,692	39,240	15,119	62,198	5,706	26,926
France.. . . .	785	3,025	8,413	40,364	16,952	73,586
Egypt.. . . .	12,610	47,000	9,170	39,046	14,627	66,312

(Included among other countries of supply are the Irish Free State, India, Russia, Germany, and Belgium. The year 1933 was an exceptionally poor one for Australia.)

The outstanding position of Argentina as a source of supply is apparent; over half of the total value is supplied by that country and no other country even threatens its position.

## SHARPS AND MIDDINGS

Sharps and middlings are also imported in large quantities, amounting to nearly 250,000 long tons, valued at about \$5,000,000 annually. The importations during recent years are indicated by the following table giving quantities in long tons and values in pounds sterling:—

	1933		1934		1935	
	Tons	£	Tons	£	Tons	£
Total.. . . .	249,545	1,016,304	244,570	1,003,367	172,247	789,558
Argentina.. . . .	40,458	175,342	92,027	376,223	83,814	380,415
Holland.. . . .	56,332	232,224	41,778	178,751	25,054	124,598
Brazil.. . . .	9,914	39,126	6,432	26,864	14,999	68,805
Germany.. . . .	68,741	275,322	32,353	124,533	4,987	24,162
Italy.. . . .	20,885	77,777	33,949	128,990	5,384	23,922
Canada.. . . .	16,486	75,843	10,374	54,674	5,506	30,701
Turkey.. . . .	19,868	71,596	13,315	52,251	3,099	14,310
Poland.. . . .	1,013	4,067	3,025	13,926	20,079	77,743

(Other countries of supply are Australia, France, and Egypt.)

## CONSUMPTION

In addition to the extensive importations, there is also a large domestic production of wheat offals amounting to between 1,500,000 and 1,650,000 long tons annually (previously noted). The aggregate consumption is therefore in the neighbourhood of 2,300,000 long tons annually of the by-products of grinding alone. Tail wheat or wheat screenings, mainly from domestic mills, are also consumed in proportionately large quantities.

The screenings are usually ground to meal, except for poultry, and are considered satisfactory where fed as slops, but like the finer grades of offals, are not found as suitable when fed dry. The finer offals are used more for fat production, while bran is preferred for working, breeding, or milking animals.

## BRAN

The old-style milling left a greater proportion of flour in the by-product than usually remains to-day and, consequently, the bran was whiter and of a larger flake. This practice established a demand which continues. Bran produced by modern mills is therefore rolled to produce the larger flake and the wheat may even be bleached to give the desired whiteness in the bran. There

is no need to discuss at this point whether cattle actually prefer that type of bran, although it is quite possible that the rolling process may, by giving a toasted flavour, make the food more appetizing; suffice it to note that the preference of the farmer continues for white bran of large flake and a price premium is always obtainable. The Canadian exporter handling a product naturally of smaller flake, must ordinarily make no attempt to sell on the size of the bran, but solely on the basis of analysis; although it still remains true that that mill will score which can ship as large a flake as possible.

#### COLOUR

While the Canadian miller cannot accept any responsibility for colour, he must watch yearly variations closely and submit fresh samples each year to his correspondents in this market. Colour is probably the predominating factor affecting the sale of all offals, but particularly of middlings. Bran will vary in colour and size of flake, and shorts and middlings will vary in colour; the exporter will naturally keep this variation to the minimum possible, but will also be well advised to post his client on the natural variation each year.

#### SUNDRY CEREAL BY-PRODUCTS

Cereal by-products other than bran, shorts, middlings, and rice meal and dust are imported in varying degree. The total quantities and values in recent years have been: 1933, 14,977 long tons (£57,450); 1934, 31,142 long tons (£107,737); and 1935, 9,665 long tons (£32,989). The principal suppliers in 1935 were Argentina and Canada; in 1934 Russia obtained the bulk of the business.

#### OIL CAKES AND MEALS

Regardless of extensive domestic production, the importation of oil seed cakes and meals aggregates over half a million long tons valued at more than \$14,000,000 annually. Details concerning the more important varieties are discussed below, but the following table of total importations of oil seed cakes and meals (except husk meal) will be of interest; quantities are in long tons and values in pounds sterling:—

	1933		1934		1935	
	Tons	£	Tons	£	Tons	£
Total. . . . .	387,407	2,040,347	557,428	2,684,290	571,817	2,909,399
British countries..	172,442	1,052,882	272,244	1,484,299	259,411	1,524,271
Foreign countries..	214,965	987,465	285,184	1,199,991	312,406	1,385,128

#### OIL EXTRACTION

It may be of interest at this point to note that oil cakes and extracted meals result from three processes of removing oil from seeds and nutmeats:—

(1) Direct pressure, frequently hydraulic, squeezes out the oil and compresses the residue into a hard, dense cake or slab, which usually retains oil to the extent of 5 or 10 per cent.

(2) The expeller or screw press process, which is continuous and produces a residue of highly-compressed meal in pieces of a size suitable for feeding purposes and of 1 to 2 per cent less oil than the direct pressed residue.

In either case, decortication or the removal of the husk, if desired, is a preliminary process.

(3) Extraction by solvents such as gasoline, benzine, alcohol, carbon bisulphide, etc., is effected by dissolving out the oil and distilling off the solvent; the residue, after being cleaned and dried, is sold as an extracted meal which contains much less oil than do the residues of either of the



other processes and is considered to have a slightly poorer feeding value. Extracted meals should not be confused with ground meals.

## COTTON-SEED CAKE OR MEAL

### DEFINITIONS

Cotton-seed cakes or meals, not decorticated, are officially defined: "The residue resulting from the removal of oil from commercially pure cotton seed, not decorticated." Cotton cakes or meals from decorticated or partly decorticated seed are officially defined: "The residue resulting from the removal of oil from commercially pure cotton seed from which the cortex, in whole or in part, has been removed." In Contract No. 3a, the London Cattle Food Trade Association (Inc.) define cotton-seed cake meal as the product of the cotton seed only, composed principally of the kernel, with such portion of the fibre or hull and oil as may be left in the course of manufacture. The association recognizes the following grades, all of which must be finely ground though not necessarily bolted:—

*Choice*.—Perfectly sound and sweet in odour, yellow, and free from excess of lint.

*Prime*.—Of sweet odour, reasonably bright in colour yellow, not brownish or red, and free from excess of lint.

*Good*.—Of sweet odour and reasonably bright in colour.

### DESCRIPTION

The common or undecorticated cotton cake can be recognized by the presence of large numbers of almost black husks; it contains over 20 per cent fibre because of the presence of the husks and lint. The protein content ranges from 20 to 23 per cent and the oil content is about 5 per cent. The two main kinds are Egyptian and Bombay. The decorticated cotton cake is bright yellow in colour and rather hard, and is rich in protein, 41 to 43 per cent, and oil, about 8 per cent, while containing very little fibre, 7 to 8 per cent. It has been found to have high food value and is valuable for cattle and sheep when used with discretion. It is when ground to powder that it is known as decorticated cotton cake, meal, or yellow meal; this is the form in which it is more frequently found. This was originally imported in quantities from the United States, but is now largely produced in the United Kingdom, and principally from East African seed. Extracted meal is also available; it contains only 1 or 2 per cent oil and is correspondingly lower in food value, but for some purposes may gain in acceptability.

### IMPORTS

Importations in recent years have been as follows; quantities in long tons and values in pounds sterling:—

	1933		1934		1935	
	Tons	£	Tons	£	Tons	£
Total.. . . .	157,400	716,399	160,351	599,427	189,201	740,048
Egypt.. . . .	86,347	346,675	115,157	385,073	142,897	508,180
Argentina.. . .	12,659	70,334	9,143	45,961	10,215	54,989
Russia.. . . .	28,141	138,263	4,245	18,174	8,026	39,008
British India..	7,116	41,162	7,289	37,535	3,834	20,628
Turkey.. . . .	1,673	9,406	3,572	17,305	8,166	41,905

(Other countries of supply were Haiti, Peru, and Brazil. The quantities in 1935 represent a considerable reduction from those of 1931 and 1932. Preliminary data for 1936 indicate a further increase to over 200,000 tons. Imports of cotton seed aggregate over 600,000 long tons annually.)

### EGYPTIAN COTTON-SEED CAKE

Egyptian cotton-seed cake, which constitutes the bulk of the total importations, is in slabs. The minimum content of protein is about 22 per cent and

of oil about  $4\frac{1}{2}$  per cent, while the fibre content is about 21 per cent. Importations are in bulk and in tons of 50 to 100 tons or larger. Sales are on the basis of analysis.

## LINSEED CAKE AND MEAL

### DEFINITIONS

Linseed cake, or the meal of such cake, is officially defined: "The residue resulting from the removal of oil from economically pure linseed"; linseed meal is officially defined: "The meal obtained by grinding or crushing commercially pure linseed." (The regulations made in pursuance of the Canadian Feeding Stuffs Act define linseed meal as the ground product obtained after extraction of part of the oil from ground flaxseed, and define ground flaxseed or flaxseed meal as the product obtained by grinding flaxseed. The different method of description should be noted.)

### DESCRIPTION

Imports from Canada have been limited to a great degree by the hardness and particularly the low oil content of the Canadian cake, which resembles extracted meal in that the oil content is as low as 5 or even 3 per cent. The business which has been done in Canadian cake has probably been largely for re-export, either in the cake as received or ground to the requirements of other markets.

Linseed meal has a protein content of about 24 per cent, an oil content of over 36 per cent, and a fibre content of 5 to 6 per cent. It is not used widely. The demand in the United Kingdom is principally for cake, or meal from cake (not to be confused with linseed or extracted linseed meal), with an oil content of about 10 per cent; the limit may drop as low as 9 per cent or run as high as 12 per cent. Protein content is about 28 to 30 per cent, fibre 9 per cent, and ash about 5 per cent. Sales are usually on the basis of a guaranteed analysis, to comply with the law of the United Kingdom; oil content is the important factor.

The cake is imported in two distinct forms: (1) the slab cake, similar to that known more generally in Canada; and (2) the expeller cake, which is thin and biscuit-like or fine and soft, and consequently more palatable. The first derives from the process of extracting oil by pressure; the second is the residue of the grinding process for expelling oil. As the meal is used principally for fattening, the higher oil content, ease of mixing, and more acceptable flavour of the expeller meal give it ready sale.

### IMPORTS

Importations of linseed cake and meal are substantial, as indicated by the following statistics for recent years; quantities are in long tons and values in pounds sterling:—

	1933		1934		1935	
	Tons	£	Tons	£	Tons	£
Total.. . . .	72,579	476,729	99,171	645,251	125,676	770,541
British India.. .	47,270	317,490	31,490	235,226	59,251	390,767
Russia.. . . .	11,501	67,946	18,156	97,712	25,995	138,734
United States.. .	1,616	10,181	24,260	143,263	23,552	132,725
Australia.. . . .	5,108	31,627	8,371	55,412	6,638	45,530
Brazil.. . . .	1,450	9,011	4,409	30,170	4,498	27,112
Argentina.. . . .	2,760	19,563	3,954	28,224	2,701	16,732
Canada.. . . .	1,799	14,189	2,975	21,130	1,799	11,771

(Preliminary data for 1936 indicate a decrease to the proportions of imports in 1934. Imports of linseed aggregate over 250,000 long tons annually and are supplied mainly by British India and the Argentine.)



## CERTIFICATE OF ORIGIN

The following order from the Customs requiring special evidence, additional to the certificate of origin, to establish claims to preference of linseed cake and meal imported from Canada should be noted:—

Linseed cake and meal do not qualify for preference when made from linseed of non-Empire origin and . . . accordingly, as from the 5th July, 1937, the admission to preference of these goods from Canada will be conditional upon the production of evidence in the following form:—

- (i) Certificate of origin on Form 120 (Sale).
- (ii) Documentary evidence (e.g. invoices or customs entries) of the country of origin of the linseed.
- (iii) Declaration that the goods covered by the certificates of origin were made solely from the linseed to which the above documentary evidence relates.

In order to qualify for preference, linseed cake and meal shipped from Canada must contain not less than 25 per cent Empire labour and/or materials, calculated in accordance with the Imperial Preference Regulations.

## MARKET FOR CORSET MATERIALS IN THE WEST OF ENGLAND

L. H. AUSMAN, ASSISTANT TRADE COMMISSIONER

Bristol, June 9, 1937.—A substantial demand exists in the United Kingdom for corset elastics, fabrics, and other materials required by corset manufacturers catering to both the popular and quality trade. Elastic cloth or webbing, narrow elastic, cotton, silk and rayon fabrics, both woven and knit, and the newer perforated corset rubber, account for a very considerable volume of the materials used, and agents in the West of England are always interested in being able to offer their customers new materials and designs.

### ELASTIC CLOTH

The types of elastic cloth used by manufacturers are numerous and varied. There is a fair demand for a two-way stretch cloth, and cloth of other types may be either knitted or woven, figured or plain, and made from either cotton, silk, or artificial silk. Many cloths contain a mixture of both silk and cotton, and, generally speaking, a fairly substantial proportion of the former is preferred for both elastic and fabric parts of corsets, corselettes, girdles, roll-ons, etc., as it enables over-garments to slip on more easily.

There are two main types of elastic cloth distinguished by the nature of the rubber base. Both are patented and made in England and the United States. One is from a square-cut rubber and is known as "Darlène." The other is the "Lastex" type of spun rubber threads.

These various elastic cloths come in a variety of widths ranging from 30 inches to 52 inches, and in many patterns. The colour most in demand is tea-rose, although there are very small quantities of other shades sold, such as peach, pink, and white.

### PERFORATED RUBBER

Within recent years there has appeared on the market a so-called fleecy-back perforated rubber for use in the corset trade in place of elastic cloth. Although it is not universally popular, there is a certain amount used in this country, but it is understood to be imported almost exclusively from the United States. One English firm did undertake its manufacture a few years ago, but not being able to successfully meet competition, gave up the line. The width

of this rubber varies, but is usually around 40 or 42 inches. The perforations are at regular and frequent intervals and pierce the fleece lining which is attached to the back of the material, thus allowing for adequate ventilation.

### OTHER ELASTIC MATERIALS

In garments of which the major portion consists of corset fabric of one kind or another panels of elastic cloth are used in the sides and back to give the necessary stretch, the side panels stretching horizontally and the back vertically. This panel material varies in width from 4 or 6 inches to 14 inches, and is generally made with a margin or binding at the sides for added strength. The price per yard varies according to the width and runs from 1d. per inch for the very cheapest material.

Elastic webbing in tubular form for use in cutting roll-ons finds a market in the cheaper trade. Manufacturers of better-class garments are not, as a rule, interested in this material on a large scale.

Narrow webbing, with or without a fabric frill, is used for edging garments and comes usually in widths of 2 and  $2\frac{3}{8}$  inches, the price generally being from 3d. per yard up for the 2-inch material and pro rata for other widths.

Suspender elastic, and narrow web for shoulder straps, come in shades to match the body of the corset and the usual widths are: for suspenders 1-inch to  $1\frac{1}{2}$ -inch and for shoulder straps  $\frac{1}{2}$ -inch to  $\frac{3}{4}$ -inch.

### CORSET FABRIC

For the major portion of a corset which is of fabric, material is used which usually matches the colour and design of the elastic webbing. In some cases, without testing for the stretch, it is difficult to determine which is elastic and which fabric. The cheaper and more common material is known as batiste, usually a cotton and silk mixture somewhat resembling cambric. The average price for batiste of English manufacture is in the neighbourhood of 2s. and 2s. 3d. per yard for 36-inch material, although certain qualities are priced as low as 1s. 3d. when the cotton content is comparatively large. A frequent composition for batiste is 40 per cent silk or artificial silk and 60 per cent cotton.

Broché or brocade, which is a better-quality fabric of silk or rayon mixture with a raised design, is usually priced slightly higher than batiste, at around 2s. 6d. per yard on the average for 36-inch material. Canadian broché in 40-inch width has been quoted at prices ranging anywhere from 2s. 5d. to 7s. 6d. per yard.

There are numerous varieties of fabric of the above classifications used in the corset trade and, in addition, there are the better qualities of figured silk and satin fabrics for the higher-priced garments.

### BIAS BINDING

There is also a demand for bias binding of a mixture of cotton and silk or artificial silk. Cut from circular cloth, this binding is usually put up in rolls of 72 yards, though sold in units of gross yards (two rolls). The colour generally required is tea-rose and, as is the case with other corset materials, rather close adherence to colour is considered an important factor in the trade.



## OTHER MATERIALS

Laces, ribbons, and netting all find a market among corset manufacturers, but the volume is very small as compared with the staple lines referred to above. There is also a demand for spiral and other corset steels, busks or clasps, hooks and zippers. Most of this material is manufactured in England, although certain special classes of steels are imported from the United States.

## SOURCES OF SUPPLY .

Elastic cloth and corset fabrics generally are manufactured in the United Kingdom, but there is a demand for staple lines as well as for specialty items from abroad. The United States and Canada both cater to this trade, many manufacturers being represented by agents in this country. There is, in fact, a reciprocal trade in corset materials between this country and North America, in both of which garments are made from material originating in the other on which comparatively high rates of duty must be paid.

Until a few years ago there was a very large quantity of corset elastic imported into the United Kingdom from the Continent, but the heavy tariff on foreign products of this nature has severely restricted the trade and several Continental firms have found it to their advantage to bring over machinery and manufacture in this country. Some American firms are understood to have done the same thing, while others have made arrangements with English houses to manufacture material for them under their own patents.

It will be realized that competition in these lines is severe, by far the largest proportion of corset material used being of United Kingdom origin. In spite of this, however, corset manufacturers are always on the lookout for new material and designs provided prices are competitive.

## CUSTOMS TARIFF

The duty on various corset materials entering the United Kingdom depends on their composition. Generally speaking, elastic cords, braids, webs, and other elastic fabrics of any width, shape, or length, containing rubber and textile material, are dutiable at 8d. per pound or 20 per cent ad valorem, whichever is the greater. Cotton fabrics or tissues, including braids, trimmings, and webbing, are liable to an imposition of 20 per cent. These duties are applicable to imports from foreign countries and do not apply to goods of Canadian origin satisfying the conditions for Imperial preference.

Fabrics of any kind containing silk or artificial silk are dutiable according to the percentage of silk or artificial silk content. In most cases the preferential rate for Empire material is five-sixths of the full rate.

## OPPORTUNITIES FOR CANADIAN MANUFACTURERS

The bulk of the business in corset materials is done through agents, who call on the corset manufacturers for orders which are passed on to their principals. The agent's commission generally varies from 1½ per cent to 5 per cent, depending on the size and value of individual orders and the nature of the material offered.

The Canadian Trade Commissioner in Bristol is in touch with several agents in the West of England who would be interested in offers from Canadian firms wishing to obtain representation for their lines in the United Kingdom. Such firms are referred to Trade Inquiries published in this issue of the *Commercial Intelligence Journal* and are invited to communicate with this office, providing samples and prices c.i.f. United Kingdom ports.

## FURTHER DEVELOPMENTS IN GRASS DRYING IN ENGLAND

L. H. AUSMAN, ASSISTANT TRADE COMMISSIONER

Bristol, June 16, 1937.—It is only within the last two or three years that the term grass-drying has entered the agricultural vocabulary, but during that time the various methods of drying young leafy pasturage have been put to use on a progressively increasing scale. In 1935 there were less than a dozen drying centres in Great Britain, four of which were on aerodromes. By the end of the 1936 season this number had increased to forty-six, all but five of which were on farms. Again, while only one make of drier could be purchased in 1935, last year there were six different types available, and these are likely to be added to in 1937.

Between 5,000 and 6,000 tons of dried grass were produced in Great Britain in 1936 by the small farm driers, and about the same quantity by the two factory installations at South Acre, Norfolk, and Tutbury, Staffordshire. These figures compare with about 50,000 tons of artificially dried alfalfa produced in the United States in 1936, and small amounts, probably not exceeding 3,000 tons each, produced by certain Continental countries where interest in the subject is very keen.

In the *Commercial Intelligence Journal* for July 4, 1936 (No. 1692), a report was published on "Grass-drying in the West of England." Since that time an Agricultural Research Council Committee on the Preservation of Grass and Other Fodder Crops has given the matter a considerable amount of study, and has just issued a report prepared by Mr. E. J. Roberts, M.A., M.Sc., of University College, Bangor, Wales, entitled "Grass Drying."<sup>1</sup> In this report the developments of the process during the past two years have been studied from all angles, and a full account is given of grass drying as it is now carried on.

### RESULTS OF INVESTIGATIONS

Investigations by numerous authorities have shown that young leafy grass has a high protein content, and that this protein and carotene, the parent substance of vitamin A, is preserved without appreciable loss when the grass is dried artificially. The production of a suitable herbage is therefore of prime importance, and the report deals at considerable length with the effects of weather conditions and manuring on the yield of grass suitable for drying. The superiority of temporary leys for high production, the growing of mixtures and the effect of frequent mowing are discussed among other factors dealing with the growth of a good grass for drying.

A chapter on the water content of young fresh grass is a valuable introduction to a review of the various methods of cutting and hauling, the types of furnaces, fuels, and power used, and a description of all of the grass-drying machines available to the British farmer. Reference is also made to some of the more important foreign driers. Stationary and mobile farm units, and the larger factory types of driers, are all used in England, and the relative advantages of each are pointed out.

Final chapters on the feeding value of dried young grass and its cost of production round out a report of considerable interest and value to farmers who have been following this new development of a high-quality feeding-stuff capable of being produced on their own farms.

Up to the present time dried grass has been produced for the most part by well-to-do or "gentlemen" farmers, landowners, and city men who, for various

<sup>1</sup> Published May, 1937, by H.M. Stationery Office, Adastral House, Kings-way, London, W.C.2. Price 2s. net.



reasons, have invested money in agriculture. Most of the farms on which the process has been adopted are dairy farms, and although the major portion of the product has been used on the farm, many producers were tempted last year by the high prices to sell part of their output.

Although conservative observers feel that another season will be required to decide the possibilities of this new development, it is doubtful if any other agricultural innovation has equalled grass-drying in the enthusiasm and desire for further knowledge that it has raised among producers.

## AUSTRALIA'S WOOL TRADE, 1936-37

L. M. COSGRAVE, CANADIAN TRADE COMMISSIONER

Sydney, May 15, 1937.—The dominating factor in the trade of Australia is the movement of her great wool crop, and world demand and supply in this commodity is reflected throughout all the phases of Australian industry, both primary and secondary.

Australia's present prosperity, which, in the opinion of leading economists in the Commonwealth, represents practically full recovery from depression years, may be readily understood by examination of the movement of Australia's wool for the season 1936-37, which has just closed.

Australia's wool crop for the season is estimated at approximately £A62,000,000 (\$248,000,000), as compared with £A54,000,000 (\$216,000,000) for 1935-36 and £A41,000,000 (\$164,000,000) for 1934-35. The value is the highest for seven years, and practically equals the receipts for 1928-29.

### PRICE SITUATION

The stability of world demand is indicated by the fact that the average season's prices have been 15 per cent above those for 1935-36, and 60 per cent above those for 1934-35. This marked increase is, in the opinion of leading wool exporters, due entirely to world demand as compared to supply, aided by the world-wide activity in industrial and rearmament developments.

In comparison with prices prevailing before the depression, it is of interest to note that in 1928-29 the average price per pound was 16·7 pence, whereas for 1932-33 the price dropped to 8·96 pence per pound, and increased in 1933-34 to 16·2 pence, decreased in 1934-35 to 11·01 pence, and again increased in 1935-36 to 14·22 pence, and improved this position for the year under review to 16 pence per pound, or £A20 per bale.

### PRINCIPAL PURCHASING COUNTRIES

#### JAPAN

Despite the serious loss during the first half of the season, owing to the withdrawal of Japan at a time when that country was the second largest buyer of wool, other leading consuming countries purchased 1,425,701 bales at an average of 15·3 pence per pound as compared with 13·6 pence for the corresponding six months of 1935-36, when Japan was buying heavily. With Japan's re-entry into the Australian buying market in January, spectacular rises took place in types suited to her needs, and inferior, average and good fleece lines and all skirtings advanced from 10 per cent to 15 per cent.

Some indication of Japan's importance to the Australian market is shown by her purchases during the past six seasons of an average of some 640,000 bales: from the close of May to the end of December, 1936, no purchases were made from Australia.

The new trade agreement signed between Japan and Australia at the end of December, 1936, provided that in the subsequent eighteen months Japan will import at least 800,000 bales of Australian wool, the equivalent of 533,000 bales in a season, a total that is larger than in any year prior to 1931-32.

#### GREAT BRITAIN

Crossbreds shared to a greater degree in advanced prices than in the preceding season, while prices for fine and medium crossbred tops rose some 50 per cent, due to the heavy purchases by the United Kingdom.

Local wool firms attribute the rise in the case of the latter to the use of crossbred wool in uniforms required in connection with rearmament, while the substitution in manufactured cloth of crossbred wool for merino wool was an important factor in the increased prices for this class.

The Yorkshire demand for spinners' wool was exceptionally good and carried sales through their most critical period, when it was expected that the lack of Japan's buying would seriously affect the entire trade.

The recovery in British export business in fabrics is in large part responsible for her increased purchases from Australia, though figures recently released by official wool organizations in Australia show that a return to pre-war levels by United Kingdom exporters is unlikely. They point out that in pre-war years exports of woollens and worsteds from the United Kingdom amounted to 240,000,000 square yards, of which shipments to Japan amounted to 15,830,000 square yards, and to Australia 22,125,000 square yards, whereas the total for both Australia and Japan is now only about 8,000,000 square yards; and other countries which have developed their mill industries have also shown a heavy reduction.

#### FRANCE

It is of interest further to note that French wool buying in Australia was greater than in the two preceding years, though to some extent that activity is attributed to the transfer of orders from African markets, in which Japan and Germany were previously very active, but the chief cause is regarded as the devaluation of the franc.

#### UNITED STATES

Probably the most interesting development during the wool season was the unexpected increase in buying by the United States, the quantity purchased from the Commonwealth being the largest in ten years—double the preceding year's total, and approximately five times the average of the previous five years. The total value was more than sufficient to eliminate the adverse balance of trade and create a balance in Australia's favour.

It is further noteworthy that these purchases were made despite a duty of 34 cents per pound, and are indicative of the sustained strength of American demand.

#### OTHER PURCHASING COUNTRIES

Though imports of wool into Germany from Australia have been declining since 1933, her improved export trade in wool fabrics during 1936 resulted in a heavy replenishment of stocks, and a larger quantity of merino wool was purchased than has been the case for some seasons. Similarly, Italy again re-entered the Australian market and purchased to the extent of some 66,475 bales, as compared with only 17,833 bales in the previous year, and it is expected that she will continue to purchase fair quantities of Australian staple wool for the production of her finer quality fabrics.

Belgium, Poland, Czechoslovakia, Switzerland, and Holland all purchased larger quantities of raw wool during the season under review.



## WOOLLEN MANUFACTURES IN AUSTRALIA

Of increasing importance in the Australian market is the position now occupied by domestic woollen manufacturers, combers, and scourers, who purchased during the recent season over 300,000 bales, of which it is estimated some 200,000 bales are consumed in Australia, the balance being exported in the form of tops, noils, wastes, yarn, and carbonized or fellmongered wool. Recent figures show that the output of fabrics by Australian mills has doubled since 1930-31, and is now estimated at some 30,000,000 square yards.

## CONDITIONS IN NORTHERN IRELAND

JAMES CORMACK, CANADIAN TRADE COMMISSIONER

Dublin, June 5, 1937.—The new Minister of Finance (Mr. J. M. Andrews) of the Ulster Government has this week been able to introduce his first Budget, and it and state finances generally have both been regarded as satisfactory. The final instalment of the 1931 cut in teachers' salaries is to be restored, and from January 1 next the road tax per horse-power on automobiles and the driving licence fee are to be reduced to the level of that in the United Kingdom, namely, 15s. per horse-power and 5s. per person respectively. The total estimated expenditure for the year is given at £13,499,000, and the revenue at £14,726,000, leaving a balance of £1,227,000. From this is deducted £40,000 (concessions to the Exchequer) and £87,000 (supplementary estimates), leaving a surplus of £1,100,000, which will be a contribution from Ulster to the Imperial Exchequer, largely for Imperial defence.

Special assistance to farmers was also announced by the Minister, chiefly that the British Government subsidies for barley and oats would be available to Ulster farmers up to a maximum of £300,000, and that they might expect also to share in the scheme for reduced rates for lime and artificial fertilizers.

## AGRICULTURE

Local and Imperial tariff, quota, and subsidy schemes have given agriculturists better prices for their products, and money is more plentiful, although a very wet spring has delayed farm work, made feed scarce, cattle backward, and crops late. Grain and flax crops are sown to a lesser acreage than last year, but the acreage in potatoes is slightly greater.

## INDUSTRY

The textile industry is in a much improved position, all the looms being well occupied for months ahead. The present position of the shipbuilding and engineering industries is good, and the prospects bright, although for the past two months no new shipping orders have been booked. Unemployment has lessened, there being some 43,000 more persons now employed than in December, 1930, and roughly 8,000 more than in December, 1936.

## SHIPPING

The volume of trade at Belfast during the first three months of this year was lower than in 1936, the statistics compiled by the Belfast Harbour Commissioners showing reductions in both imports and exports, the former from 845,053 to 771,364 tons, and the latter from 162,919 tons to 139,510 tons. A considerable decline occurred in imports of timber—12,980 tons compared with 20,069 tons—and coal and machinery were also received in smaller quantities, but larger imports of iron and steel goods and of flax were recorded. Exports of agricultural products, particularly potatoes and cattle, declined.

## TRADE COMMISSIONERS ON TOUR

The following Canadian Trade Commissioners are now on tour in the Dominion: Mr. F. W. Fraser, Kingston, Jamaica (whose territory covers Jamaica, Haiti, the Bahamas, and British Honduras); Mr. B. C. Butler, Singapore, Straits Settlements (whose territory covers the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India); and Mr. G. R. Heasman, Cape Town, South Africa (whose territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar). Their itineraries are as follows:—

### Mr Fraser

Kitchener, Waterloo, and Stratford.. . . . .	July 5 and 6	Hamilton.. . . . .	July 12 to 14
Guelph and Fergus.. . . .	July 7	Belleville and Picton.. . . .	July 19
Preston and Galt.. . . .	July 8	Kingston, Gananoque, and Brockville.. . . . .	July 20
Niagara Falls and St. Catharines.. . . . .	July 9 and 10	St. Johns, Bedford (Quebec).	July 26
		New York.. . . . .	July 28 and 29

### Mr. Butler

Ottawa.. . . . .	July 6 to 10
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### Mr. Heasman

Hamilton.. . . . .	July 2 to 5	Kingston.. . . . .	July 8
St. Catharines.. . . . .	July 6	Montreal.. . . . .	July 19 to 31
Oshawa .. . . . .	July 7	Granby.. . . . .	Aug. 3

Firms who wish to be brought in touch with the Trade Commissioners should communicate for Vancouver, Winnipeg and Toronto, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other cities with the respective Board of Trade or Chamber of Commerce.

## CONDITIONS IN THE HONGKONG FLOUR MARKET

V. E. DUCLOS, CANADIAN TRADE COMMISSIONER

(The average exchange rates for the Hongkong dollar during the first quarter of 1937 was 30½ cents and of 1936, 32 cents. One picul equals 133½ pounds)

Hongkong, May 25, 1937.—Flour imports into Hongkong during the first quarter of 1937 were recorded at 272,222 piculs valued at HK\$2,898,066 as against 266,523 piculs valued at HK\$2,500,790 during the fourth quarter of 1936 and as against 167,760 piculs valued at HK\$1,215,156 during the corresponding period of 1936.

The detailed statistics for the January-to-March quarter of 1937, and for the comparable period of 1936, which have been converted into Canadian equivalents, are given herewith:—

Country	Jan.-Mar., 1937		Jan.-Mar., 1936	
	Tons	Can.\$	Tons	Can.\$
Total.. . . . .	11,153	394,926	18,148	880,759
Australia.. . . . .	7,234	237,186	12,749	599,382
Canada.. . . . .	1,965	76,914	2,796	150,314
North China.. . . . .	1,015	40,685	1,015	54,607
Japan.. . . . .	111	4,316	885	36,117
United States.. . . . .	828	35,825	703	40,339

During the period under review prices of Australian flour fluctuated in sympathy with wheat prices, and ranged from as low as £9 16s. at the beginning of February to £11 towards the end of March.

In spite of the strength shown by foreign markets, dealers were not interested in placing orders and refused to meet the advances, principally due to the fact that local importers were still prepared to sell from stock at the equivalent of approximately £10 5s. Even at this price business was insignificant and the market remained dormant. Canadian clear flour advanced from U.S.\$5.85 at the beginning of February to U.S.\$6.15 about the end of March.

In summary, the prices to the dealer were as follows:—

U.S. Club straight. . . . .	HK.\$4.60 per bag. . . . .	U.S.\$5.50 per barrel.
U.S. Cut off. . . . .	\$9.90 per bag. . . . .	\$5.85 per barrel.
Canadian 1st clear. . . . .	\$4.90/5.15 per bag. . . . .	\$5.85/6.15 per barrel.
Australian flour. . . . .	\$4.06/4.20 per bag. . . . .	£10-£10 7s. per ton.

Stocks on hand at the end of March were estimated at 170,000 bags, comprising 135,000 Australian, 19,000 bags Canadian, 8,000 bags American, and 8,000 bags Shanghai.

## MARKET FOR LEATHER GLOVES IN THE NETHERLANDS

W. G. STARK, ACTING TRADE COMMISSIONER

(One florin—fl.—or guilder equals \$0.55 at present rate of exchange, though prior to devaluation on September 26, 1936, it equalled approximately \$0.67)

Rotterdam, June 8, 1937.—There is a considerable demand in Holland for leather gloves of all sorts. Supplies are principally drawn from foreign sources as there is only one domestic manufacturer of any importance. Canadian gloves are already sold here, being sent forward both direct and via United Kingdom wholesalers. The trade is chiefly interested in motorists' and cyclists' gloves and gauntlets, and workmen's gloves and mittens.

### IMPORTATIONS

In the Netherlands import and export statistics all gloves of leather are grouped together under one heading. Total imports recorded under this item in the last four years and details as to the supplying countries during 1936 are given in the appended table:—

	Dozen Pairs	Fl.
1933. . . . .	92,380	1,322,135
1934. . . . .	90,100	1,212,354
1935. . . . .	63,646	851,746
1936. . . . .	57,544	766,535
Germany. . . . .	3,198	62,729
Belgium and Luxembourg. . . . .	4,501	82,937
Great Britain. . . . .	4,705	70,172
France. . . . .	4,667	65,082
Czechoslovakia. . . . .	29,549	372,570
Finland. . . . .	122	1,408
Sweden. . . . .	766	12,660
Poland and Danzig. . . . .	180	1,746
Italy. . . . .	1,627	16,141
Hungary. . . . .	748	13,205
Austria. . . . .	160	1,649
Switzerland. . . . .	385	3,514
Japan. . . . .	6,391	51,300
Canada. . . . .	222	1,950
United States. . . . .	320	9,388



By the foregoing it may be seen that arrivals from Czechoslovakia in quantity and value are away and above those from any other country. Next in importance, based on value, are shipments from Belgium, followed by Great Britain, France, Germany, and Japan. The last-named country, however, is second in quantity of gloves delivered, the price per pair of Japanese gloves being considerably lower than those quoted by other competitors.

According to the trade returns, Canada is credited with supplying only 222 dozen pairs valued at fl. 1,950 in 1936 and with 269 dozen pairs valued at fl. 2,956 in 1935. These figures apply solely to direct shipments, but a proportion of the arrivals from Great Britain are undoubtedly gloves of Canadian origin. Nevertheless there is room for expansion, and the Rotterdam office is in receipt of several inquiries from importers for additional contacts among Dominion glove manufacturers.

#### TYPES OF GLOVES

The most popular line, in so far as supplies from Canada are concerned, is a five-finger glove with cuff and strap suitable for use either by motorists or cyclists. Colours are preferably dark brown (chocolate) or black, and there is a demand both for the lined and unlined gloves.

Sizes are as customary, the trade using the English numbers. Gloves of some of the Canadian suppliers have been found to be slightly smaller, and importers have pointed out that an English size 10 is equal to size 10½ and to even an 11 in Canada.

Quality, shape, and finish should be good. Canadian gloves are usually compared directly with the lines of Swedish manufacturers, which furnish gloves that are well and evenly seamed and with a cuff that matches exactly in colour and which is also well finished.

#### WORK GLOVES

Until recently work gloves were not much used in Holland as neither the habits of the workers nor the climate of the country called for this protection. Now, however, the men are using these more, and there is a demand for both the cheap and better work-gloves similar to those used in the English market; ox and horse hide as well as splits are selling well. Mittens are also in demand both with leather and imitation leather cuff as well as with a knitted wristlet.

#### DRESS GLOVES

Interest has been expressed by some of the better class men's wear stores in supplies of good-quality dress gloves of Canadian origin, particularly for pig-skin lines. Most of these stores are accustomed, however, to obtaining their supplies from local agents and are not particularly interested in dealing direct with the manufacturer. Good cut and appearance at reasonable prices are the chief requirements.

#### TARIFF

Canadian manufacturers must bear in mind that Holland is an open market in so far that supplies from all foreign countries are treated alike. There is only a single-column tariff, and other levies which are collectible on imports are equal for all sellers. The duty on leather gloves is 12 per cent *ad valorem*, calculated on the c.i.f. value, plus a luxury tax of 10 per cent on the duty-paid value. Mittens are exempted from the luxury tax. They do pay the 12 per cent duty plus a 1 per cent compensatory duty and a 4 per cent turnover tax on the duty-paid value.

There are no restrictions concerning the transfer of funds to Canada and all chartered Canadian banks have correspondents in this country.

## TERMS

Terms vary according to arrangements made in individual cases. At the commencement of business cash against documents on arrival of the goods is quite usual, although after confidence is established terms of 2 to 3 per cent cash net thirty to sixty days are quite common.

Distribution is mostly made through the medium of an agent, although there is also considerable buying direct by wholesale/import houses on their own account. The rate of commission for an agent varies from 5 to 10 per cent, depending on size of order.

Interested Canadian firms are invited to submit offers to the Rotterdam office for relay to the trade. They should state what sort of distribution they wish and, if an agent is desired, should make mention of the rate of commission to be allowed. Prices should be c.i.f. Netherlands port, specifying whether net or inclusive of commission and/or discounts, as also to what minimum quantity these apply. It is preferable that samples be forwarded concurrently so that these may be shown to likely importers. The factory should state for how long these prices are valid, and should also indicate what time allowance must be reckoned between receipt and despatch of order. A report will be gladly furnished to any inquiring Canadian exporter.

## ITALIAN MARKET FOR MAPLE BURLS

A. B. MUDDIMAN, CANADIAN TRADE COMMISSIONER

Milan, June 8, 1937.—There is a market in Italy for maple burls used in veneer work. These maple burls must be strong figured, sound, of regular shape, and of good veneer quality. If any Canadian lumber firm makes a business of collecting maple burls, and if the price is right, there should be a fairly ready sale for them.

According to Italian importers, by the word burl is meant the solid portion of the plant body which is under ground when the tree is standing up—i.e., the solid part of the root, minus the ramifications, etc. In the London trade a "burr" is described as a gnarled excrescence or knot of a tree, which furnishes ornamental wood. It would seem, however, for the Italian trade, it is the underground stump that is wanted. From this veneers are obtained by sawing along a plane, normal to the height of the tree. Such veneers are in demand by cabinet-makers and command a high price, so much so that importers sometimes pay highly for the burls, when satisfactory. But the right selection of the burls for the purpose for which they are used is very difficult, as only those burls which can provide sheets that will give regular or symmetrical patterns, formed either by the growth rings or by the variation in colour and grain, are chiefly employed. Unless the burls are carefully selected, or the importer is reliable, trouble may occur over the quantity of useful burls in the shipment. It is therefore better to sell *tale quale* so that the round price is paid for the whole lot.

A small sample of a veneer that is produced from these burls, a kind of birds-eye, is on file at the Department of Trade and Commerce, Ottawa.

Besides maple, birch burls are also used. These veneers, made from either maple or birch burls, have been shipped back to Canada for use. Not only Italian veneer makers use this type of burl, but also German.

In dealing with this business, Canadian firms should ship against dollar credits placed at first-class banks established in Canada. If they are able to



quote low prices, c.i.f. Genoa, including therein a 5 per cent commission, it is requested they submit a sample burl and their prices to this office.

Veneers made in Italy from these burls are largely shipped abroad, and as the veneer manufacturers are allowed 70 per cent of the foreign exchange they obtain on their foreign shipments, they are in a position to open credits abroad.

The demand for veneers of this kind is largely due to the modern type of furniture now in use.

## FOREIGN TRADE OF EGYPT, JANUARY TO MARCH

HENRI TURCOT, CANADIAN TRADE COMMISSIONER

(One Egyptian pound—LE.—is equal to approximately \$5)

Cairo, June 4, 1937.—The foreign trade of Egypt during the first quarter of 1937 shows considerable advances in imports and exports.

The figures released by the Egyptian Ministry of Commerce and Industry place Egypt's imports at LE.8,162,607 and LE.7,529,257, and exports at LE.13,402,172 and LE.8,523,168, in the first three months of 1937 and 1936 respectively, disclosing a rise of LE.633,350 in imports and of LE.4,879,004 in exports, while the favourable balance of trade has passed from LE.993,911 to LE.5,239,565, a progress of LE.4,245,654.

Imports of the following commodities indicated advances: textiles (LE.433,124); kerosene (LE.232,736); fertilizers (LE.112,827); tea (LE.83,943); and butter, cheese, potatoes, coffee, olive oil, lubricating oil, paper, woollen goods, boots, glass, motor cars, and watches.

Great Britain was the chief shipper of goods to Egypt, followed by Germany, Italy; the United States, and the Belgo-Luxemburg Economic Union. Italy gained considerable ground.

Raw cotton was largely responsible for the progress in exports, together with cotton seed and rice.

Great Britain was Egypt's best customer, her share being represented by LE.4,331,246, an increase of LE.1,266,501 over the corresponding period of last year. Japan was a good second.

Egypt maintained a favourable trade balance with Great Britain, Malta, Gibraltar, Albania, Austria, Greece, Czechoslovakia, France, Holland, Poland, Portugal, Sweden, Switzerland, British India, the Hedjaz, Nadj, China, Japan, Iraq, Palestine, Syria, Eritrea, Algiers, Tunis, Morocco, Canada, and the United States.

## SUEZ CANAL TRAFFIC IN 1936

HENRI TURCOT, CANADIAN TRADE COMMISSIONER

Cairo, June 7, 1937.—According to a report issued by the British Chamber of Commerce at Port Said, normal traffic through the Suez Canal has declined sensibly in the course of the past two years, which, owing to the Abyssinian War and the international situation arising therefrom, were abnormal years, and it has been suggested that one of the reasons for the decrease has been the feeling of insecurity in shipping circles with regard to the Mediterranean.

### TONNAGE

Only 5,877 ships representing a net tonnage of 32,000,000 went through the canal in 1936 as compared with 5,992 ships of a net tonnage of 33,000,000 in

1935, a recession of 115 ships and of 1,000,000 tons. In 1934, 5,663 ships equivalent to 32,000,000 tons net transitted the canal. It is to be observed, however, that the Italian net tonnage rose from  $6\frac{1}{2}$  per cent in 1934 to  $18\frac{1}{2}$  per cent in 1935, and to  $20\frac{1}{4}$  per cent in 1936. If therefore from the total figures is subtracted the Italian share, a better appreciation of the normal traffic of the canal can be arrived at. The net tonnage for all countries, Italy excepted, stood at 29,920,000 in 1934 as compared with 27,000,000 in 1935 and 25,500,000 in 1936, indicating considerable decreases in the past two years.

The British share in the canal traffic, which had receded almost continuously from about 60 per cent in 1934, declined from 48 per cent in 1935 to  $46\frac{1}{2}$  per cent in 1936, this being partly due to diversion of traffic between Europe and Australia from the canal to the Cape route.

#### CARGO AND PASSENGER TRAFFIC

The quantity of cargo transported through the Suez Canal in 1936 is placed at approximately 25,500,000 tons against 26,330,000 tons in 1935, a decline of about 800,000 tons, and about 3,000,000 tons less than in 1934. The 1936 figures are the lowest recorded during the past decade, 1932 excepted. As in previous years, by far the larger proportion of cargo passing through the canal was from the south to the north, the figures being 16,750,000 tons from south to north and 8,750,000 tons from north to south as compared with 17,330,000 tons and 9,000,000 tons respectively in 1935.

Notwithstanding the decrease in the number of ships, passengers going through the canal, military passengers not being taken into consideration, increased considerably during the past two years, passing from 199,991 in 1934 to 255,302 in 1935, and to 322,184 in 1936.

The average time taken by vessels to transit the canal in 1936 was 13 hours 11 minutes as compared with 13 hours 20 minutes in 1935 and 13 hours 22 minutes in 1934.

### SHIPPING TABLE POTATOES TO PANAMA

W. J. RIDDIFORD, CANADIAN TRADE COMMISSIONER

Panama City, R.P., May 31, 1937.—On the Isthmus of Panama there are two separate and distinct markets for table potatoes, the Republic of Panama and the Canal Zone.

#### REPUBLIC OF PANAMA

##### DOMESTIC PRODUCTION

Three crops of potatoes are grown annually in certain highland districts in the interior of the republic. The growing seasons are December 1 to February 28, March 1 to May 31, and July 1 to November 1. Imported certified seed stock is used almost exclusively. No statistics are available, but the annual domestic production is probably in the neighbourhood of 1,200 short tons. Growing conditions are difficult due to soil deficiencies, blight and plant diseases peculiar to the tropics, and the uncertainty of the seasons in the matter of excessive rains, unusual heat and droughts, but the locally grown potato is of good size, quality, and appearance. Farm labour is scarce and expensive, and transportation costs for conveying the seed to the growing districts and returning the crops to the consuming centres are very high.

#### DUTY

To offset the high cost of production of potatoes in the republic, and to protect and encourage the domestic industry, certified seed potatoes may be imported



duty free, but table potatoes are dutiable at 10 cents per gross kilogram or approximately  $4\frac{1}{2}$  cents per pound. Table potatoes retail in Panama at from 7 to 12 cents per pound, depending upon the season. The average wholesale price for the first 1937 crop was \$4.50 to \$5 per 100 pounds.

#### IMPORTS

Accurate statistics are not available, but it is reliably estimated that annual imports of table potatoes into Panama total approximately 1,400 short tons, of which, however, probably not more than 150 tons are actually consumed in the Republic of Panama, the balance being imported for sale to Canal Zone Commissaries. The better-class grocery stores have a steady demand for "States" potatoes. This business consists of large No. 1 grade American table potatoes shipped weekly in small lots either from San Francisco or New York. The fact that this business is entirely in the hands of American exporters is explained by the fact that American potatoes must be imported since the large outlets in the Canal Zone are required to stock only the American product.

#### CANAL ZONE

There are three separate outlets for table potatoes in the Canal Zone: (1) the Civilian Commissaries of the Canal Zone Administration; (2) the United States Army; (3) the United States Navy. At the present time the regulations of the Canal Zone require that potatoes handled by Civilian Commissaries must be of American origin. The United States Army and Navy are requested to use American potatoes, but are permitted to purchase foreign-grown potatoes in the event of there being a sufficiently wide price differential. In the past Canadian potatoes have been sold to the United States Army and Navy through local produce dealers, but these sales have been risky.

#### REQUIREMENTS

United States Army and Navy regulations require potatoes of at least  $1\frac{1}{8}$  or  $1\frac{7}{8}$  inches in diameter, clean, sound, and of good quality; a tolerance below these standards of only 5 per cent is permitted. The risk, therefore, lies in the fact that Canadian potatoes must be considerably lower in price than American, the necessary price differential sometimes being as large as 30 per cent. Consequently local produce dealers, when booking orders for Canadian potatoes, specify the cheapest possible quality and sizes which barely will meet United States Army and Navy regulations. Naturally any slight variation in grading or a loss in size and weight due to dehydration in transit may result in rejection by the Army or Navy.

In the case of rejection the Canadian shipper can expect to take a severe loss, since local importers in the past have required sight draft terms and may refuse to assume any responsibility in the matter of disposing of rejected shipments. Such rejected shipments cannot be marketed in Panama because of the prohibitive duties, and will find an outlet in the Canal Zone once they have been rejected by the United States Army or Navy only as ships' stores. The demand for potatoes as ships' stores at Canal Zone ports, however, is very small.

#### SUGGESTIONS TO CANADIAN EXPORTERS

At best the marketing of Canadian table potatoes on the Isthmus of Panama is a small business and the possible profits probably do not justify the risks involved. It is suggested to Canadian exporters that table potatoes should not be shipped to this market except against irrevocable letter of credit in full, and that no potatoes should be forwarded to this market which measure less than 2 inches in diameter.



## BOLIVIAN EXCHANGE CONTROL

M. J. VECHSLER, CANADIAN TRADE COMMISSIONER

Lima, June 18, 1937.—By virtue of a decree issued at La Paz, by the Board of Government of that country, under date June 8 and published in Bolivian newspapers on June 10, certain changes have been made in the Bolivian Exchange Control Law. Then too, under date May 30, through Ministerial Resolution, the import prohibitions were generally suspended, the principal requirement being that importers must prove to the customs authorities that the exchange to be used in payment of goods that are to be imported has been legally acquired from authorized banks or else obtained from their resources held abroad.

### TWO OFFICIAL RATES

The principal changes invoked through the decree law of June 8 state that the official rate of exchange is only to be used for state requirements and for public services approved by the Ministry of Finance. This official rate of exchange is 80 bolivianos per pound sterling. The second rate set up is that referred to as the differential rate of exchange of 100 bolivianos per pound sterling and is to be solely used for the purchase of goods of prime necessity which are subject to rationing, and for the payment of students' board who are resident abroad. These two items are to be subject to certain regulations that are to be established and some of which are already in existence. In so far as general business requirements are concerned, these are to be attended to in a general manner by the Central Bank of Bolivia, the Mercantile Bank of Bolivia, and the National Bank of Bolivia at rates set each day.

### FREE EXCHANGE

From the foregoing it will be seen that there are two official rates—i.e., that for state purposes of 80 bolivianos per pound sterling and that for the importation of articles of prime necessity subject to rationing at 100 bolivianos per pound sterling. The free exchange, which is the one at which practically all business is now being conducted, is at the moment at 120 bolivianos to the pound sterling in comparison with a rate varying from 135 to 150 bolivianos per pound sterling, as was the case during recent months. Rumours are to the effect that the Bolivian Government is considering the establishment of a single rate of exchange and pegging that rate at 100 bolivianos to the pound sterling, but so far as is known this has not as yet been effected. At the moment there appears to be sufficient free exchange available against approved orders.

### OBLIGATORY SALES

Under the new decree law of June 10 instant, exporters are still required to turn over certain percentages of the exchange resulting from the sale of exports abroad. This obligatory sale of exchange not only applies to the export of the chief minerals produced in Bolivia but also is applied, with varying percentages and in some cases on a sliding scale depending upon prices, to other commodities as well. Full details concerning this are available at the Department of Trade and Commerce, Ottawa.

### PROHIBITED EXPORTS

In one of the articles of the decree law it is stated that the export of the following goods is prohibited: gold (with the exception of certain concentrates provided for), cattle, poultry and other animals, coffee, canvas and fabrics or threads of cotton, cassimeres and other woollen fabrics, yarn of wool or cotton,

gold and silver worked in old plate or coined, antiquities and national monuments, as well as every manufacture, product or article that may have been imported on a differential exchange. However, the Ministry of Finance is empowered to permit the export of some or any of the prohibited articles provided the necessities of the country are covered and there is evidence of an exportable surplus. On the other hand, the Ministry of Finance is similarly permitted to extend the export prohibition to other articles and manufactures as is deemed necessary.

The obligatory concentration of exchange transactions remains with the Central Bank of Bolivia, the Mercantile Bank of Bolivia, and the National Bank of Bolivia, as was established by decree law of September 5, 1936. It is of importance to note that every purchase or sale of exchange that may be carried out outside of the named banking institutions as well as every transaction that contravenes the regulations will be deemed to be of a clandestine nature and is penalized by confiscation of the draft, cheque or negotiable instrument, plus a fine equivalent to the amount involved and without prejudicing a prison penalty varying from three months to two years. In those cases in which confiscation cannot be made effective, provision is made for a penalty fine equal to double the value of the transaction.

#### RATES OF EXCHANGE

The banking institutions alone being authorized to deal in exchange, are also further authorized to fix, daily, the equivalent rates for the purchase and sale of foreign exchanges in accordance with supply and demand. This rate, generally termed the "banking rate," is at the moment in the neighbourhood of 120 bolivianos to the pound sterling. Certain regulations have been set up for the sale of exchange for the payment of general importations and these may be summarized in the following manner:—

(a) In the case of goods already imported, the interested party must present the customs entry together with the original invoice to one of the three aforementioned banks, which in turn, as a selling bank, must endorse both documents indicating the amount of the exchange sold and the date of the operation.

(b) In the case of goods in transit to Bolivia, the exchange which the importer must obtain for its payment is to remain on deposit in the bank until presentation of the invoice of the respective customs entry.

(c) In the case of goods subject to payment prior to shipment, the bank is to sell the exchange that may be necessary for the goods to be imported. In this case the solicitor must present copy of the order so that the bank may effect the transfer of funds directly to the shipper or manufacturer abroad against remittance of shipping documents to the order of the interested party but consigned to the bank and the bank is required to obtain the customs entry and to endorse it as indicated in paragraph (a) above.

(d) In connection with the payment of goods sold prior to shipment, the banks are empowered, when they deem it convenient, to open credits abroad in favour of the manufacturers or original shippers, payment having to be carried out against delivery of shipping documents consigned to the bank.

(e) Sales of exchange intended for travelling expenses, illness, board, judicial, and other expenses are to be made in the proportion that the Ministry of Finance determines, and it is left to the banks for them to control their due application.

#### PAYMENTS IN ORDER OF URGENCY

Under the decree law the banks are ordered to attend to requests for exchange to cover the payment of importations in the order of the urgency of the articles to be imported and to give preference to those of prime necessity. Requests for exchange to cover the payment of luxury articles are to be attended to with such exchange as remains following the attendance indicated in the 1936 season this number had increased to forty-six, all but five of which have accrued through previous importations are to be attended to as exchange



is available, as in the case of luxury articles, and when proof of the respective customs entry and verification of its effectiveness has been presented.

Every other request for exchange which does not deal with the needs of importation, travelling expenses, board and judicial expenses, such as those for the conversion of frozen capital, can only be attended to on previous express authorization from the Ministry of Finance, which will fix the rate of exchange and conditions in every case.

Under the law the customs houses are not to effect despatch of any goods unless it has been accredited that the goods that are being imported are being paid for with exchange obtained from the authorized banking institutions, and for this purpose the banks are to supply the respective certificate of sale to the interested party. In dealing with exchange that has been obtained and covered by the importers from their own funds held abroad, the circumstances have to be proven first before the Ministry of Finance.

## WHEAT AND FLOUR SITUATION IN JAPAN, JANUARY TO MARCH

T. J. MONTY, ASSISTANT TRADE COMMISSIONER

### WHEAT

Tokyo, May 20, 1937.—In sympathy with higher prices on the Winnipeg and Chicago grain exchanges, quotations on the local wheat market were 20 per cent higher than last year in spite of a decline over the last few months. The index number of the Bank of Japan for average monthly wholesale prices of wheat in Tokyo in March, 1937, stood at 280 as against 235 for the same period last year. C.i.f. prices for Australian, Canadian, and American wheat for March were from 40 to 80 per cent higher than last year. Higher prices were particularly noticeable for Canadian wheat.

Owing to these higher prices, Japanese flour millers using Canadian hard wheat have purchased a considerable tonnage of Manchurian wheat, which is both cheaper and inferior in quality to Canadian wheat. Recent Manchurian wheat crop reports show a decrease despite encouragement received from the Government for increased production of cereal crops. Quotations for Manchurian wheat are, however, expected to increase considerably in concert with the higher prices prevailing abroad and as a result of heavy purchases from Japanese millers.

### WHEAT QUOTATIONS

	Jan.-Mar., 1936		Jan.-Mar., 1937	
	High	Low	High	Low
	In Yen	per 100 Kin	(132 Pounds)	
Local No. 3 Improved:				
January.. . . .	8.50	8.20	10.40	10.10
February.. . . .	8.40	8.40	10.20	9.50
March.. . . .	8.40	8.10	10.10	9.65
American Western White Walla No. 2:				
January.. . . .	7.79	7.40	9.81	9.75
February.. . . .	7.43	7.43	....	....
March.. . . .	7.52	7.43	10.90	10.15
Canadian Northern No. 3:				
January.. . . .	7.37	7.06	10.96	10.10
February.. . . .	7.43	6.81	10.97	10.26
March.. . . .	7.30	6.61	12.92	10.42
Australian Wheat:				
January.. . . .	6.90	6.58	9.40	8.65
February.. . . .	6.65	6.41	9.45	8.66
March.. . . .	6.82	6.51	10.25	9.23

Based on quotations published in the *Diamond*, a Japanese economic review. Quotations for foreign wheat represent c.i.f. prices.

No proper estimate can yet be made of the cereal crop in Japan for 1937. According to an investigation recently conducted by the Farmers' Co-operative Society of Japan, it is estimated that despite a 4-per-cent increase in acreage of wheat over last year, and favourable climatic conditions which have prevailed through the winter and spring, the production of wheat for this year may nevertheless drop from 5 to 10 per cent under last year. As mentioned above, the production of wheat in Manchuria for 1937 is reported to show a substantial reduction. Crops are estimated to amount to 900,000 or 950,000 tons as against 1,000,000 tons for the previous year.

#### IMPORTS OF WHEAT

Imports of wheat for the first three months of 1937 as compared with those for the corresponding period of last year decreased by 39.1 per cent in quantity and by 11.8 per cent in value. This reduction is attributable to Australia and Canada, which show respectively a decrease of 51.9 per cent and 51.8 per cent in tonnage and 26.4 per cent and 34.1 per cent in value. Shipments from Argentina for the period under review amounted to 747,000 bushels valued at 1,318,000 yen, whereas no shipments were effected during the corresponding period last year. Imports from China and Manchuria increased remarkably. The value of imports of wheat from China for January-March increased by nearly 127 times over the same period of last year, and that from other countries—mostly from Manchuria—by 113.4 per cent. No imports were brought in from the United States for the period under review, although there was a shipment of 12,000 bushels valued at 20,000 yen for the corresponding period in 1936.

#### *Imports of Wheat by Countries of Origin*

	Jan.-Mar., 1936 Bushels	Jan.-Mar., 1937 Bushels	Jan.-Mar., 1936 Yen	Jan.-Mar., 1937 Yen
Australia.. . . .	7,824,648	3,764,933	9,571,832	7,039,491
Canada.. . . .	1,828,816	882,086	2,668,169	1,758,119
Argentina.. . . .	.....	746,981	.....	1,318,417
China.. . . .	977	77,148	899	114,892
United States.. . . .	12,613	.....	19,959	.....
Other.. . . .	307,822	599,262	464,616	991,517
Total.. . . .	9,974,876	6,070,410	12,725,475	11,222,436

Imports from other countries are mostly from Manchuria.

#### WHEAT FLOUR

The index number of the Bank of Japan for average monthly wholesale prices for wheat flour in Tokyo during March of this year stood at 291 compared with 234 for the same period last year. Average quotations for standard grade of wheat flour (per 49-pound sack) for the period under review were approximately 26 per cent higher than last year. Quotations for March, however, show a decline together with wheat quotations since the beginning of the year, as the following table shows:—

#### *Quotations for Wheat Flour*

	Jan.-Mar., 1936			Jan.-Mar., 1937		
	High	Low	Average	High	Low	Average
			Yen per 49-pound Sack			
January.. . . .	4.08	3.93	3.99	5.13	5.00	5.05
February.. . . .	3.95	3.84	3.89	5.00	4.75	4.89
March.. . . .	3.92	3.78	3.85	4.95	4.74	4.82

Based on the returns published in the *Diamond* and the *Oriental Economist*.

## PRODUCTION AND EXPORTS

Although the statistics of the production of wheat flour for the first three months of 1937 are not yet available, it is estimated that it will amount to about 8,000,000 sacks as against 8,873,000 sacks for last year, thus showing a reduction. This reduction of output is mainly due to a decline of exports of wheat flour. Shipments of wheat flour from Japan for the first quarter of 1937 declined by 47.7 per cent in quantity and by 31.1 per cent in value. Exports to all countries except those to the Dutch East Indies were down on the average by a half. Shipments to the Kwantung Province and to Manchukuo were reduced by 44.6 per cent and by 40.9 per cent in quantity and by 29.8 per cent and by 17.3 per cent in value respectively. Shipments to the Philippine Islands were down by 59 per cent in quantity and 38.1 per cent in value, China by 82.4 per cent and 77.6 per cent, the Straits Settlements by 64.9 per cent and 52.5 per cent, and other countries by 68.2 per cent and 64 per cent. Shipments to the Dutch East Indies alone were up by 73.5 per cent in quantity and by 168.8 per cent in value. The following table gives the details of exports:—

*Exports of Wheat Flour by Countries of Destination*

	Jan.-Mar., 1936 Barrels	Jan.-Mar., 1937 Barrels	Jan.-Mar., 1936 Yen	Jan.-Mar., 1937 Yen
Kwantung Province. . . .	213,131	117,966	2,575,175	1,807,395
Manchukuo. . . . .	100,504	59,387	1,159,232	958,661
Philippine Islands. . . .	34,033	13,952	377,228	233,386
Dutch East Indies. . . .	1,492	2,589	16,165	43,460
China. . . . .	12,729	2,234	138,600	31,022
Straits Settlements. . . .	2,042	717	21,619	10,260
Other. . . . .	32,904	10,465	394,956	142,202
Total. . . . .	396,835	207,310	4,682,975	3,226,386

Imports of wheat flour for the period under review amounted to 45,034 barrels valued at 784,498 yen as against 43,842 barrels valued at 574,281 yen, showing an increase of 2.7 per cent in quantity and 36.6 per cent in value.

Although details of imports with regard to countries of origin are not yet available, it is estimated that the large portion of these imports consist of Canadian flour imported for the manufacture of flavouring extracts.

**FOREIGN TRADE OF JAPAN, JANUARY TO MARCH**

A. K. DOULL, ACTING COMMERCIAL SECRETARY

(For purposes of comparison the average rate of the yen for the first three months of 1937 and 1936 may be taken as 28½ cents Canadian funds)

Tokyo, May 22, 1937.—The foreign trade of Japan for the first three months of this year was valued at 1,708,141,567 yen as against 1,357,172,579 yen in the 1936 similar period, an increase of 350,968,988 yen. Exports were valued at 701,088,116 yen as against 584,412,088 yen, an increase of 116,676,028 yen; imports were valued at 1,007,053,451 yen as against 772,760,491 yen, an increase of 234,292,960 yen. Japan had thus an unfavourable balance of trade amounting to 305,965,335 yen as against an excess of imports amounting to 188,348,403 yen in the 1936 first quarter period.

## EXPORTS BY COUNTRIES

Japan's largest volume of exports went to Asiatic countries and was valued at 378,580,325 yen as compared with 297,016,252 yen in the 1936 first quarter period, an increase of 81,564,073 yen. Exports to North America were next in



importance and were valued at 162,341,928 yen as against 135,552,843 yen, an increase of 26,789,085 yen. Exports to Europe were valued at 76,517,653 yen as against 69,629,236 yen, an increase of 6,888,417 yen. Exports to African countries were valued at 42,587,614 yen as compared with 40,444,702 yen, an increase of 2,142,912 yen.

Exports to Oceanic countries were valued at 16,098,144 yen as against 21,017,080 yen, a decrease of 4,918,936 yen. Exports to South America were valued at 14,973,358 yen as against 13,809,722 yen, an increase of 1,163,636 yen. Exports to Central America were valued at 9,989,094 yen as against 6,942,253 yen, an increase of 3,046,841 yen.

#### EXPORTS BY PRINCIPAL COUNTRIES

The following list shows Japan's twenty best customers during the first three months of 1937 in order of the value of products which were exported to them:—

Country	Yen	Country	Yen
United States.. . . .	157,663,402	France.. . . .	12,179,393
Kwantung Province.. . . .	81,733,052	Germany.. . . .	10,057,033
British India.. . . .	61,549,766	Federation of South Africa..	9,548,073
China proper.. . . .	53,429,480	Australia.. . . .	8,563,048
Dutch East Indies.. . . .	46,232,143	Egypt.. . . .	7,928,736
Manchukuo.. . . .	45,529,604	Iraq.. . . .	7,370,792
Great Britain.. . . .	33,214,369	Kenya, Uganda, and Tangan-	
Straits Settlements.. . . .	17,120,659	yika.. . . .	6,172,385
Hongkong.. . . .	15,408,948	Argentina.. . . .	6,048,412
Philippine Islands.. . . .	14,913,847	Belgo-Luxemburg Economic	
Siam.. . . .	12,806,787	Union.. . . .	4,813,586

#### EXPORTS BY COMMODITIES

##### THE THREE PRINCIPAL EXPORTS

Cotton tissues were as usual Japan's largest single export item. Exports of cotton tissues for the first three months of 1937 amounted to 633,197,203 square yards valued at 129,631,479 yen as against 636,280,926 square yards valued at 109,291,355 yen in the 1936 similar period, a decrease in quantity and value. Of total exports of cotton tissues 183,858,691 square yards valued at 32,437,981 yen were classified as "grey," 153,883,755 square yards valued at 27,942,049 yen as "bleached," and 295,454,757 square yards valued at 69,251,449 yen as "other."

The largest purchasers of "grey" cotton tissues were Manchukuo (4,947,202 yen), British India (4,707,018 yen), the Dutch East Indies (4,531,371 yen), China proper (2,803,375 yen), Aden (1,916,681 yen), Kwantung Province (1,362,606 yen), and the Anglo-Egyptian Sudan (1,355,287 yen). "Bleached" cotton tissues were exported chiefly to the United States (7,043,513 yen), the Dutch East Indies (4,490,152 yen), British India (2,209,863 yen), Kwantung Province (1,979,579 yen), Manchukuo (1,745,884 yen), and Siam (1,332,437 yen). Cotton tissues classified as "other" were exported chiefly to the Dutch East Indies (13,079,861 yen), Manchukuo (8,691,769 yen), Kwantung Province (5,202,346 yen), British India (5,083,482 yen), Argentina (2,772,164 yen), Siam (2,558,257 yen), Iraq (2,491,334 yen), the Philippine Islands (2,487,308 yen), and Kenya, Uganda, and Tanganyika (2,283,607 yen).

Raw silk was Japan's second largest export item and amounted to 97,497 bales valued at 87,707,107 yen as compared with 102,554 bales valued at 85,643,364 yen in last year's first quarter period, a decrease in quantity but an increase in value due to a rise in price of raw silk. As usual, Japan's largest buyer of raw silk was the United States, and 81,270 bales valued at 72,943,501 yen were exported to that country as against 84,370 bales valued at 70,901,836



yen in the 1936 period. Other purchasers of raw silk included Great Britain (5,709,707 yen), France (5,644,722 yen), British India (1,419,214 yen), and Australia (1,157,124 yen). Exports of raw silk to Canada amounted to only 271 bales valued at 255,570 yen. This is according to Japanese statistics, which do not take into account the fact that Canada buys nearly all her requirements of Japanese raw silk directly from New York, and they are naturally shown as exports of raw silk to the United States in Japanese trade returns.

Japan's third largest export was that of artificial silk tissues, amounting to 117,524,821 square yards valued at 35,730,314 yen as against 112,906,572 square yards valued at 31,782,389 yen, an increase in both quantity and value. The largest purchasers of this product were British India (9,161,249 yen), Kwantung Province (4,545,161 yen), Hongkong (3,089,648 yen), the Dutch East Indies (2,617,834 yen), and Siam (1,829,864 yen).

#### EXPORT VALUES EXCEEDING 10,000,000 YEN

The following products were exported to a value exceeding 10,000,000 yen:—

Machinery (23,611,118 yen), chiefly to Kwantung Province, China proper, and Manchukuo; iron (22,395,917 yen), chiefly to Kwantung Province, China proper, and the Dutch East Indies; comestibles (18,892,606 yen), chiefly to the United States, Great Britain, and Belgium; silk tissues (16,681,281 yen), chiefly to British India, the United States, and Great Britain; knitted goods (11,630,156 yen), chiefly to the United States, the Dutch East Indies, Great Britain, and the Philippine Islands; iron manufactures (10,870,105 yen), chiefly to the Dutch East Indies, Kwantung Province, and British India; woollen tissues (10,522,268 yen), chiefly to Kwantung Province and China proper; and pottery (10,392,923 yen), chiefly to the United States, British India, the Dutch East Indies, and Canada.

#### IMPORTS BY CONTINENTS

Asia was Japan's chief source of supply, imports from Asiatic countries being valued at 411,549,831 yen as against 269,160,086 yen in the 1936 first quarter period, an increase of 142,389,745 yen. Imports from North America were valued at 291,632,043 yen as against 272,658,259 yen, an increase of 18,973,784 yen. Imports from European countries were valued at 110,906,033 yen as compared with 92,055,295 yen, an increase of 18,850,738 yen. Imports from Oceania were valued at 73,345,362 yen as against 101,847,279 yen, a decrease of 28,501,917 yen. Imports from Africa were valued at 71,512,260 yen as against 19,343,608 yen, an increase of 52,168,652 yen. Imports from South America were valued at 41,232,244 yen as against 13,732,985 yen, an increase of 27,499,259 yen; and imports from Central America at 6,875,678 yen as against 3,962,929 yen, an increase of 2,912,749 yen.

#### PRINCIPAL SOURCES OF SUPPLY

The following list shows Japan's twenty largest suppliers during the first three months of 1937 in order of the value of products which were imported from them:—

Country	Yen	Country	Yen
United States.. . . .	270,222,146	New Zealand.. . . .	24,812,780
British India.. . . .	171,551,214	Canada.. . . .	21,401,279
Manchukuo.. . . .	75,069,286	Straits Settlements.. . . .	20,659,527
China proper.. . . .	55,007,455	Uruguay.. . . .	17,862,868
Australia.. . . .	46,906,084	Argentina.. . . .	16,212,775
Germany.. . . .	40,408,346	Philippine Islands.. . . .	11,414,699
Dutch East Indies.. . . .	35,553,408	Kwantung Province.. . . .	10,014,374
Egypt.. . . .	33,359,879	Sweden.. . . .	8,510,598
Federation of South Africa.. . . .	31,998,640	British Malay.. . . .	8,223,546
Great Britain.. . . .	27,995,099	French Indo-China.. . . .	8,030,775

## IMPORTS BY COMMODITIES

## THE FIVE CHIEF IMPORTS

Raw cotton was, as usual, Japan's largest single import item, imports of which were valued at more than 34 per cent of Japan's total imports of all products during the period under review. These large imports of raw cotton amounted to 746,746,440 pounds valued at 345,474,096 yen as against 598,168,296 pounds valued at 247,144,491 yen, an increase in both quantity and value. British India was the largest supplier of raw cotton to Japan (155,144,428 yen) during the period under review, and was closely followed by the United States (137,361,185 yen), from whom Japan annually makes her largest purchases. Other imports of raw cotton came from Egypt (31,286,486 yen), China proper (11,984,651 yen), and Kenya, Uganda, and Tanganyika (2,278,860 yen).

Japan's second largest import was sheep's wool, amounting to 101,697,552 pounds valued at 115,922,427 yen as against 94,971,888 pounds valued at 89,150,266 yen, an increase in quantity and value. Japan's large purchases of sheep's wool came from Australia (32,917,931 yen), Federation of South Africa (30,942,164 yen), New Zealand (23,266,802 yen), and Argentina (9,917,603 yen).

The third largest import was iron and steel, valued at 39,582,282 yen as compared with 23,385,430 yen, an increase of 16,196,852 yen. The United States (13,894,204 yen) was the largest supplier of iron and steel to Japan, followed by Germany (3,913,887 yen), British India (3,005,851 yen), Belgium (2,830,054 yen), and Great Britain (2,628,323 yen). In addition to the above-mentioned imports of iron and steel, there were imports of pig iron valued at 9,364,057 yen, which came chiefly from Manchukuo (2,904,789 yen) and British India (2,775,105 yen).

Beans come next in importance during the period under review, imports of which were valued at 37,032,814 yen as against 29,949,201 yen, an increase of 7,083,613 yen. Manchukuo was the chief source of supply for beans, imports from that country being valued at 34,558,813 yen.

Imports of mineral oil (crude and heavy) came fifth, and were valued at 36,349,264 yen as against 29,345,732 yen, an increase of 7,003,532 yen. Of total imports of crude and heavy mineral oil, imports from the United States were valued at 27,451,414 yen, from the Dutch East Indies at 3,116,796 yen, and from Borneo at 2,040,008 yen. In addition to the above imports of mineral oil there were imports of mineral oil under 0.8762 S.G. valued at 14,433,877 yen as against 11,688,822 yen, an increase of 2,745,055 yen. This mineral oil came chiefly from the Dutch East Indies (8,185,832 yen) and the United States (4,576,378 yen).

## VALUES EXCEEDING 10,000,000 YEN

The following other products were imported to a value exceeding 10,000,000 yen:—

Crude india-rubber and gutta-percha (33,440,571 yen), chiefly from the Straits Settlements, the Dutch East Indies, and French Indo-China; machinery (31,494,932 yen), chiefly from the United States, Germany, and Great Britain; paper and rayon pulp (18,176,034 yen), chiefly from the United States, Sweden, and Norway; oil-yielding materials (18,030,348 yen), chiefly from China proper and Manchukuo; oilcake (14,441,904 yen), chiefly from Manchukuo. Kwantung Province, and China proper; copper (14,047,942 yen), chiefly from the United States; coal (13,480,717 yen), chiefly from Manchukuo, China proper, and French Indo-China; "other" vegetable fibres (11,741,591 yen), chiefly from the Philippine Islands, British India, and China proper; automobiles and parts (11,700,984 yen), chiefly from the United States; wheat (11,222,436 yen), chiefly from Australia, Canada, and Argentina; and lead (11,120,932 yen), chiefly from Canada and British India.



## VALUES UNDER 10,000,000 YEN

The following products were imported to a value not exceeding 10,000,000 yen and not less than 1,000,000 yen:—

Hides and skins, chiefly from China proper and the United States; ores, chiefly from China proper and Australia; pig iron, chiefly from Manchukuo and British India; tin, chiefly from the Straits Settlements; sugar, chiefly from the Dutch East Indies; fresh beef, chiefly from China proper; leather, chiefly from British India, the United States, Germany, and Great Britain; caustic soda, chiefly from Great Britain; crude nitrate of soda, chiefly from Chile and the United States; crude sulphate of ammonia, chiefly from Germany, Kwantung Province, and Manchukuo; synthetic colours, chiefly from Germany, Switzerland, and the United States; woollen tissues, chiefly from Great Britain; newsprint, chiefly from Canada; phosphorite, chiefly from Egypt and the United States; aluminium, chiefly from Canada; zinc, chiefly from Australia, the United States, and Canada; watches and parts, chiefly from Switzerland; lumber, chiefly from Canada, the Philippine Islands, and the United States; and wheat bran, chiefly from China proper and Manchukuo.

## SUMMARY OF THE FOREIGN TRADE OF JAPAN

The following is a summary of Japan's foreign trade for the first three months of 1937 and 1936, ended March 31:—

	Jan.-Mar., 1937 Yen	Jan.-Mar., 1936 Yen	Per Cent Increase
Imports.. . . . .	1,007,053,451	772,760,491	30.3
Exports.. . . . .	701,088,116	584,412,088	20.0
Total.. . . . .	1,708,141,567	1,357,172,579	25.9
Excess of Imports.. . . . .	305,965,335	188,348,403	62.4

## PRINCIPAL EXPORTS AND IMPORTS

The following figures show Japan's chief exports and imports for the first three months of 1937 and 1936, ended March 31, together with the percentage of increase or decrease as against 1936:—

*Principal Exports from Japan*

	Jan.-Mar., 1937 Yen	Jan.-Mar., 1936 Yen	Per Cent Inc. or Dec.
Cotton tissues:			
Other.. . . . .	69,251,449	53,767,638	+ 28.8
Grey.. . . . .	32,437,981	36,402,072	— 10.9
Bleached.. . . . .	27,942,049	19,121,645	+ 46.1
Raw silk.. . . . .	87,707,107	85,643,364	+ 2.4
Artificial silk tissues.. . . . .	35,730,314	31,782,389	+ 12.4
Machinery.. . . . .	23,611,118	13,757,811	+ 71.6
Iron.. . . . .	22,395,917	16,837,956	+ 33.0
Comestibles.. . . . .	18,892,606	12,705,996	+ 48.7
Silk tissues.. . . . .	16,681,281	15,335,400	+ 8.8
Knitted goods.. . . . .	11,630,156	11,347,654	+ 2.5
Iron manufactures.. . . . .	10,870,105	8,856,354	+ 22.7
Woollen tissues.. . . . .	10,522,268	8,485,074	+ 24.0
Pottery.. . . . .	10,392,923	8,837,263	+ 17.6
Cotton yarns.. . . . .	9,784,410	9,873,087	— 0.9
Paper.. . . . .	8,177,602	5,410,405	+ 51.1
Toys.. . . . .	7,848,685	6,773,058	+ 15.9
Glass.. . . . .	7,458,806	5,745,675	+ 29.8
Artificial silk.. . . . .	7,202,263	8,742,015	— 17.6
Hats, caps, etc.. . . . .	6,710,906	4,622,527	+ 45.2
Aquatic products.. . . . .	5,768,241	4,543,971	+ 26.9

*Principal Imports into Japan*

	Jan.-Mar., 1937 Yen	Jan.-Mar., 1936 Yen	Per Cent Inc. or Dec.
Raw cotton.. . . . .	345,474,096	247,144,491	+ 39.9
Sheep's wool.. . . . .	115,922,427	89,150,266	+ 30.0
Iron (other).. . . . .	39,582,282	23,385,430	+ 69.2
Beans.. . . . .	37,032,814	29,949,201	+ 23.6



*Principal Imports into Japan—Concluded*

	Jan.-Mar., 1937 Yen	Jan.-Mar., 1936 Yen	Per Cent Inc. or Dec.
Mineral oil (crude and heavy) . . . . .	36,349,264	29,345,732	+ 23.8
Rubber . . . . .	33,440,571	13,475,876	+ 148.1
Machinery . . . . .	31,494,932	22,949,339	+ 37.2
Paper and rayon pulp . . . . .	18,176,034	15,298,436	+ 18.8
Oil yielding materials . . . . .	18,030,348	17,032,614	+ 5.8
Oil cake . . . . .	14,441,904	13,810,332	+ 4.6
Mineral oil under 0.8762 S. G . . . . .	14,433,877	11,688,822	+ 23.5
Copper . . . . .	14,047,942	6,299,707	+ 123.0
Coal . . . . .	13,480,717	12,045,497	+ 11.9
Vegetable fibres (other) . . . . .	11,741,591	8,569,820	+ 37.0
Automobiles . . . . .	11,700,984	11,957,657	— 2.1
Wheat . . . . .	11,222,436	12,725,475	— 11.8
Lead . . . . .	11,120,932	5,134,908	+ 116.6
Lumber . . . . .	9,645,433	12,218,382	— 21.6
Pig iron . . . . .	9,364,057	9,764,703	— 4.1
Ores . . . . .	9,362,240	7,703,738	+ 21.5

*JAPAN'S TRADE WITH CANADA*

Japan's total trade with Canada for the first three months of 1937 was valued at 26,068,027 yen as against 19,591,104 yen in the 1936 similar period, an increase of 6,476,923 yen. Exports were valued at 4,666,748 yen as against 2,233,223 yen, an increase of 2,433,525 yen; imports at 21,401,279 yen as against 17,357,881 yen, an increase of 4,043,398 yen. Japan had thus an unfavourable balance of trade with Canada amounting to 16,734,531 yen as compared with an excess of imports in the 1936 first quarter period of 15,124,658 yen.

This is according to Japanese statistics, which do not, of course, show indirect exports to Canada of such products as raw silk, which is purchased through New York. If Canada's purchases of raw silk were taken into account, Japan's unfavourable balance of trade with Canada would be reduced to a considerable extent.

According to the returns of the Dominion Bureau of Statistics, Canada's imports of "silk cocoons, raw silk, not more advanced than singles, not to include material wholly or partly degummed," were as follows:—

*By Countries of Consignment*

		Three Months ended March 31	
		1936	1937
Total imports . . . . .	Lbs.	487,190	659,430
	\$	925,438	1,354,192
Japan . . . . .	Lbs.	....	43,944
	\$	....	87,620
United States . . . . .	Lbs.	466,031	614,729
	\$	884,592	1,265,058

*By Countries of Origin*

	Three Months ended March 31, 1937	
	Lbs.	\$
Total imports . . . . .	659,430	1,354,192
Japan . . . . .	628,044	1,295,980

Figures for the three months ended March 31, 1936, are not available.

*EXPORTS TO CANADA*

Japan's largest export to Canada is raw silk, but, as has been mentioned above, this product is imported into Canada from the United States, and is therefore shown in the Japanese statistics as an export to the United States.

According to Japanese statistics, direct exports of raw silk to Canada amounted to only 271 bales valued at 255,570 yen during the period under review; but according to the above table, the value of the importations from Japan into the Dominion was nearly \$1,300,000.

Next to raw silk, Japan's chief exports to Canada were pottery, toys, artificial silk tissues, rice, lamps and parts, and tea.

Exports of pottery to Canada were valued at 515,084 yen as against 391,701 yen, an increase of 123,383 yen. Canada was Japan's fourth largest customer for pottery. Exports of toys to Canada were valued at 300,867 yen as against 146,725 yen, an increase of 154,142 yen. Canada was also Japan's fourth largest buyer of toys.

Exports of artificial silk tissues to Canada were valued at 300,664 yen as against 76,785 yen, an increase of 223,879 yen.

Exports of rice to Canada were valued at 179,627 yen as against 265,780 yen, a decrease of 86,153 yen. Next to Hawaii, Canada was Japan's largest customer for rice.

Exports of lamps and parts were valued at 169,782 yen as against 19,361 yen, an increase of 150,421 yen. Exports of tea to Canada were valued at 122,815 yen as against 83,416 yen, an increase of 39,399 yen. Next to the United States and British India, Canada was the largest purchaser of tea from Japan during the quarter under review.

Other exports to Canada of importance were silk tissues (82,044 yen), menthol crystal (41,340 yen), brushes (36,975 yen), buttons (24,266 yen), silk handkerchiefs (22,887 yen), and beans (15,871 yen).

#### IMPORTS FROM CANADA

Japan's largest imports from Canada for the first three months of 1937 were lead, lumber, wheat, pulp, aluminium, and zinc.

Canada, as usual, was Japan's chief source of supply for her lead requirements. Imports of lead from Canada amounted to 11,357 short tons valued at 4,351,164 yen as against 9,053 short tons valued at 2,186,668 yen, an increase in both quantity and value. Imports of lead from Canada represent over 39 per cent of total lead imports.

Imports of lumber from Canada were valued at 3,316,549 yen as against 467,886 yen, an increase of 2,848,663 yen. Purchases of lumber from Canada since the beginning of the year have been particularly heavy; the Dominion was the largest supplier of lumber to Japan during the period under review. The United States has always been the largest annual supplier, but during the first quarter of 1937 imports of lumber from the United States were valued at only 1,205,655 yen.

Imports of wheat from Canada amounted to 391,248 bushels valued at 1,758,119 yen as against 811,168 bushels valued at 2,668,169 yen in the 1936 similar period, a decrease in quantity and value. Next to Australia (7,039,491 yen), Canada was the largest exporter of wheat to Japan during the period. Total wheat imports were valued at 11,222,436 yen. Imports of paper and rayon pulp from Canada amounted to 9,959 short tons valued at 1,414,584 yen as against 6,520 tons valued at 819,897 yen, an increase in both tonnage and value. Of the total pulp imports from Canada, only 34 short tons valued at 8,000 yen were rayon; the remainder was pulp for paper manufacturing.

Imports of aluminium from Canada were valued at 1,042,503 yen as against 4,688,670 yen in the 1936 similar period, showing a decrease of 3,646,167 yen. It must be remembered, however, that during the 1936 period large quantities of aluminium were being brought in from Canada in anticipation of an increase in duty. Imports of aluminium from Canada represent over 98 per cent of the total.

Imports of zinc from Canada amounted to 3,376 short tons valued at 970,246 yen as against 1,634 short tons valued at 421,517 yen, an increase in tonnage and value. Canada was the third largest source of supply.

The Dominion maintained her position as the largest newsprint source of supply. Shipments of newsprint from Canada amounted to 7,314 short tons valued at 892,686 yen as against 20,273 tons valued at 2,313,173 yen, a decrease in both quantity and value. Imports of machinery from Canada were valued at 75,354 yen as against 12,440 yen, an increase of 62,914 yen. Imports of "other" iron from Canada were valued at 486,783 yen as compared with only 9,154 yen, an increase of 477,629 yen.

Statistics of imports of wheat flour from Canada are not available, but according to a Japanese firm who are practically the only importers of Canadian wheat flour at the present time, they brought in 186,700 bags during the period under review as against 179,000 bags during the first quarter of 1936. This firm imports high-grade Canadian flour with a high gluten content for manufacturing a seasoning extract known as "Ajinomoto," which enjoys great popularity in Japan.

#### SUMMARY OF JAPAN'S TRADE WITH CANADA, JANUARY TO MARCH, 1937 AND 1936

The following is a summary of Japan's total trade with Canada for the first three months of 1937 and 1936, ended March 31:—

	Jan.-Mar., 1937 Yen	Jan.-Mar., 1936 Yen	Per Cent Increase
Imports.. . . . .	21,401,279	17,357,881	23.3
Exports.. . . . .	4,666,748	2,233,223	108.9
Total trade.. . . . .	26,068,027	19,591,104	33.0
Excess of imports.. . . . .	16,734,531	15,124,658	10.6

#### CHIEF EXPORTS AND IMPORTS

The following table shows Japan's chief exports to and imports from Canada for the first three months of 1937 and 1936, together with percentage of increase or decrease compared to the corresponding period in 1936:—

##### *Principal Exports to Canada*

	Jan.-Mar., 1937 Yen	Jan.-Mar., 1936 Yen	Per Cent Inc. or Dec.
Pottery.. . . . .	515,084	391,701	+ 31.5
Toys.. . . . .	300,867	146,725	+ 105.0
Artificial silk tissues.. . . . .	300,664	76,785	+ 291.6
Raw silk.. . . . .	255,570	96,794	+ 164.0
Rice.. . . . .	179,627	265,780	— 32.4
Lamps and parts.. . . . .	169,782	19,361	+ 776.9
Tea.. . . . .	122,815	83,416	+ 47.2
Silk tissues.. . . . .	82,044	67,290	+ 21.9
Menthol crystals.. . . . .	41,340	18,047	+ 129.1
Brushes.. . . . .	36,975	10,285	+ 259.5
Buttons.. . . . .	24,266	6,466	+ 275.3
Silk handkerchiefs.. . . . .	22,887	5,415	+ 322.6
Beans.. . . . .	15,871	14,661	+ 8.2

##### *Principal Imports from Canada*

	Jan.-Mar., 1937 Yen	Jan.-Mar., 1936 Yen	Per Cent Inc. or Dec.
Lead.. . . . .	4,351,164	2,186,668	+ 99.0
Lumber.. . . . .	3,316,549	467,886	+ 608.8
Wheat.. . . . .	1,758,119	2,668,169	— 34.1
Pulp, paper, and rayon.. . . . .	1,414,584	819,897	+ 72.5
Aluminium.. . . . .	1,042,503	4,688,670	— 77.7
Zinc.. . . . .	970,246	421,517	+ 130.2
Printing paper.. . . . .	892,686	2,313,173	— 61.3
Iron (other).. . . . .	486,783	9,154	+ 5,217.7
Machinery.. . . . .	75,354	12,440	+ 505.7
Beef (fresh).. . . . .	55,060	558	+ 9,767.4



## WHAT THE CANADIAN EXPORTER CAN DO FOR THE TRADE COMMISSIONER

The meagre information frequently furnished by Canadian exporters places a serious handicap on the Trade Commissioner in his efforts to market their products.

A general statement, therefore, of the facts about the exporter, his banking references, whether he is already engaged in foreign trade, and for what period and to what extent, are some of the essentials which should be given in the first letter either to the Department or to a Trade Commissioner, particularly the latter. He also wants general data about the commodity which the exporter wishes to sell in that particular market, noting any special advantages pertaining to the line offered, particularly as compared with well-known articles of the same type from other countries. He also wants to know exactly what the manufacturer is himself willing to do to place his goods in the new field; the basis on which sales would be made to the importer or on which goods could be offered for sale by a recognized agent, and the commission that would be paid the latter; what would be required of an importing house or agent in order to obtain the agency for the line; whether the manufacturer would send consignment stock or samples and in what quantity; whether he is prepared to advertise or to co-operate in advertising and to what extent; the facilities possessed by the manufacturer for export shipment, and the kind of supervision that is exercised by him over the packing of goods destined for a distant market.

### PRICES

Prices should never be quoted from an interior manufacturing point in Canada. Where quotations c.i.f. port of destination are not practicable, they should be given f.o.b. steamer, but it is strongly recommended that prices should be quoted c.i.f. This is a most important point, as the foreign buyer has no definite knowledge of the charges likely to be incurred if quotations are f.o.b. cars at port of shipment, and freight rates from some interior point in Canada to the seaboard are unobtainable in foreign countries. He has no means of knowing insurance rates, or the elements that enter into the fixing of the premiums. As a rule he is unable to obtain a quotation of an outward freight rate at an inward port, as the general practice of steamship companies is to refer a request for a freight rate from (say) Montreal to Auckland to the agent in the former city, although an approximate rate may be quoted. The foreign buyer is at a distinct disadvantage unless prices are quoted c.i.f.

### DISCOUNTS

Discounts should be printed, or typewritten, preferably on a folder or slip accompanying the catalogue. In submitting an illustrated descriptive catalogue to prospective customers the importer should not be placed in the position of having to disclose the exact terms on which the goods are offered to him.

### GROSS AND NET WEIGHT

A knowledge of the gross and net weights per unit quoted is essential. Without these the prospective purchaser is unable to estimate laid down costs.

### SUMMARY OF POINTS TO BE NOTED

The fullest possible information in regard to the commodity and complete details on the following points would greatly aid the Trade Commissioners in the

intelligent handling of inquiries addressed to them as to the introduction and subsequent marketing of Canadian goods on behalf of exporters:—

1. Cable address, code used, and special code words not in the regular code books.
2. Bankers' references.
3. (a) The basis on which prices are quoted, whether c.i.f. main foreign ports; f.a.s. Canadian ports; or f.o.b. vessel.  
(b) Are prices in Canadian or American funds?  
(c) If prices are c.i.f. and transshipment has to be made, are such items as consular charges and disbursements at port of transshipment and/or unloading for account of buyer?
4. Are quotations firm, or subject to change without notice due to fluctuations in costs of raw material?
5. On what quantity basis are quotations made? Can prices be reduced on quantity orders, and if so how much?
6. Are orders subject to acceptance by exporter?
7. What brand do lines bear, and are these to be sold under this brand in foreign markets?
8. What is the nature of packing? Heavy wooden crates, boxes, new bags or burlap?
9. Are lines stocked and available for immediate shipment? If not, how long after receipt of order will goods go forward?
10. What are your terms? Is there a special discount for cash?
11. What is the gross and net weight in pounds? Measurement in cubic feet?

With the foregoing information on hand, supplemented by recent catalogues and descriptive literature, and, if not too bulky, samples—not necessarily a full range—Trade Commissioners are put in a position to give at short notice the best service to Canadian exporters and can either place them in communication with reliable importers or recommend suitable agents.

## REQUEST FOR ENGINEERING CATALOGUES AND TRADE JOURNALS FOR CHINA

H. A. SCOTT, CANADIAN TRADE COMMISSIONER

Shanghai, June 2, 1937.—The Engineering Reference Library of Nanking has requested the co-operation of this office towards securing catalogues and general trade literature of Canadian engineering establishments. This library is in reality a special branch of the National Library at Peiping, but in order to meet the needs of the technical and scientific departments of the National Government it was transferred to Nanking, the capital, in September, 1936.

The types of literature desired are briefly as follows: technical and trade journals, house organs and bulletins, and engineering catalogues. In addition, photographs of engineering interest would be welcomed.

At present the library is receiving regularly from European countries and the United States over 400 publications of the type described, but the director states that so far Canada is poorly represented in their collection.

Canadian engineering firms or institutions who wish to avail themselves of this opportunity for making their products and services better known in China are asked to write to "The Director, the Engineering Reference Library, 942 Chukiang Road, Nanking, China." It would be appreciated if this office could be notified when such action is taken.



## BRITISH MERCHANDISE MARKS ACT

### Picture and Greeting Postcards

Referring to the announcement appearing in *Commercial Intelligence Journal* No. 1723 (February 6, 1937), the Chief Canadian Trade Commissioner in London writes that the Merchandise Marks Committee have now recommended:—

That every imported picture or greeting postcard, whether imported singly or in sheets or reels, should be required to bear an indication of origin at the time of importation and of sale or exposure for sale in the United Kingdom, both wholesale and retail.

The method of marking proposed is as follows:—

The indication of origin should be printed or stamped on the address side of each imported postcard, and, in addition, an indication of origin should be printed or stamped on any envelope, wrapper, or other container in which such goods are sold or exposed for sale if it bears any wording descriptive of its contents.

A draft Order in Council to implement these recommendations was laid before Parliament on June 15.

## ANGLO-ROUMANIAN PAYMENTS AGREEMENT

The Chief Canadian Trade Commissioner in London writes under date June 1 that a revised Payments and Technical Agreement has been concluded between the United Kingdom and Roumanian Governments.

This adjusts the conditions of the previous agreement referred to in *Commercial Intelligence Journal* No. 1688 (June 6, 1936), to meet the present circumstances of the trade between the two countries.

## TARIFF CHANGES AND CUSTOMS REGULATIONS

### South African Tariff Changes

With reference to the report in *Commercial Intelligence Journal* No. 1733 (April 17, 1937), page 630, the South African Tariff Amendment Act as from May 20, 1937, reduces the effective rate of duty to all countries as follows: porcelain or vitreous enamelled baths and cork flooring from 20 per cent to 10 per cent ad valorem; electric flashlights from 20 per cent to 5 per cent ad valorem; clocks and watches and unspecified musical instruments from 15 per cent to 10 per cent ad valorem; cash registers, calculating, duplicating, and addressing machines, and fittings of steel, copper, and alloys for the manufacture of metal windows and frames from 15 per cent to 5 per cent ad valorem; oilcloth and oil baize not being floor covering from 15 per cent to free; unspecified glassware and bicycles from 10 per cent to 5 per cent ad valorem; oiled, waxed, transparent cellulose, and lined bottle tissue paper from 10 per cent to free.

Typewriters are reduced from 20 per cent to 10 per cent under the intermediate tariff and from 10 per cent to free under the minimum tariff applicable to the United Kingdom. Metal ice chests are reduced from 20 per cent to 5 per cent under the intermediate tariff and from 15 per cent to free under the minimum tariff applicable to Canada. On spare rock drills the minimum tariff applicable to the United Kingdom is reduced from 17 per cent to free, and the intermediate tariff from 20 per cent to 5 per cent.

In all the duty was reduced or wording amended on over fifty items.

### Certificate for Preserved Vegetables Shipped to Egypt

With reference to a prohibition as from March 28, 1937, on importation into Egypt of preserved vegetables coloured with sulphate of copper, a subsequent announcement was made that preserved vegetables exported to Egypt must be accompanied by a certificate endorsed by competent Egyptian consular authorities in the exporting country stating that the vegetables have not been coloured with sulphate of copper.



In view of the fact that there is no Egyptian consular office in Canada, the Canadian Trade Commissioner at Cairo has advised that the Egyptian Ministry of Public Health has no objection to allowing importation of preserved vegetables from Canada provided such consignments are accompanied by a certificate "endorsed by the Canadian Health Authorities" stating that the said vegetables have not been coloured with sulphate of copper. It is recommended that firms interested communicate with the appropriate inspector of the Canadian Department of Agriculture to obtain the certificate in question.

### **Swiss Import Duties on Fresh Apples**

With reference to the notice in *Commercial Intelligence Journal* No. 1709 (October 31, 1936), page 842, Mr. W. G. Stark, Acting Trade Commissioner in Rotterdam, writes under date June 16, 1937, that by virtue of a federal decree of June 14, 1937, which became effective on June 15, 1937, the duties leviable on fresh apples on entry into Switzerland, which were removed on October 5, 1936, are now again payable. They amount to fr. 2 per 100 kilos when in bulk or in sacks and fr. 5 per 100 kilos when in other packages.

### **Guatemalan Customs Regulations**

With reference to the report in *Commercial Intelligence Journal* No. 1642 (June 19, 1937), page 1129, regarding new Guatemalan customs regulations, Mr. S. G. MacDonald, Acting Trade Commissioner in Mexico City, reports under date June 10 that under a Guatemalan decree of May 29, 1937, invoices and certificates of origin, which had previously been required to be in the Spanish language, will, if viséd by the Consul, be valid in a language other than Spanish provided that the interested parties furnish a translation thereof in Spanish, verified by a sworn translator duly empowered for that purpose.

### **Mexican Regulations Relative to the Free Importation of Seeds**

Mr. S. G. MacDonald, Acting Trade Commissioner at Mexico City, advises under date June 19, 1937, that while the Mexican import tariff provides for the free importation of seeds for agricultural purposes, it has been necessary to pass new regulations for the control of the imports of seeds in order that they may be used only for that purpose. Consequently a circular has been issued under date June 9, 1937, and effective as from that time, respecting the regulations now in force. By this circular only the following seeds and portions of plants for reproduction purposes may be admitted duty free, namely: bulbs for sowing purposes, vineyard sticks, sticks for sowing purposes n.o.p., buds for ingrafting purposes, buds for sowing purposes, tubers for sowing purposes, alfalfa seed, English grass seed, beet seed, tomato seed, seeds for agricultural purposes n.o.p., flower seeds and seeds for horticultural purposes.

In order that interested parties may obtain the benefit of this duty exemption, they are required to obtain a permit from the Secretary of Agriculture, after having complied with the laws and regulations relative to the health of vegetables. Upon receipt of the respective permit the Customs House officials are authorized to allow the importation of seeds provided customs duties are fully guaranteed. After an investigation has subsequently been made by the Customs House Collector-General and the Department of Agriculture, the deposit may be returned to the importer after it is ascertained by the Government officials charged with this work that the seeds have been duly sown. If the seeds have not been sown, the respective duties shall be collected.

### **Documentation of Shipments to Panama: New Leaflet**

A new leaflet dealing with documentation of shipments to Panama has just been issued by the Department of Trade and Commerce. Interested Canadian exporters may obtain a copy on application to the Department at Ottawa.

## FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING JUNE 28, 1937

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, June 28, and for the week ending Monday, June 21, 1937, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending June 21	Nominal Quotations in Montreal Week ending June 28	Official Bank Rate
Austria . . . . .	Schilling	.1407	\$ .1872	\$ .1874	3½
Belgium . . . . .	Belga	.1001	.1689	.1691	2
Bulgaria . . . . .	Lev	.0072	.0129	.0129	6
Czechoslovakia . . . . .	Krone	.0296	.0348	.0349	3
Denmark . . . . .	Krone	.2680	.2206	.2204	4
Finland . . . . .	Markka	.0252	.0218	.0218	4
France . . . . .	Franc	.0392	.0446	.0446	6
Germany . . . . .	Reichsmark	.2382	.4009	.4015	4
Great Britain . . . . .	Pound	4.8666	4.9425	4.9387	2
Greece . . . . .	Drachma	.0130	.0091	.0091	6
Holland . . . . .	Guilder	.4020	.5493	.5507	2
*Hungary . . . . .	Pengo	.1749	.2955	.2960	4
Italy . . . . .	Lira	.0526	.0526	.0527	4½
Jugo-Slavia . . . . .	Dinar	.0176	.0231	.0233	5
Norway . . . . .	Krone	.2680	.2482	.2482	4
Poland . . . . .	Zloty	.1122	.1892	.1896	5
Portugal . . . . .	Escudo	.0442	.0447	.0448	4½
Roumania . . . . .	Leu	.0060	.0073	.0074	4½
Spain . . . . .	Peseta	.1930	—	—	5
Sweden . . . . .	Krona	.2680	.2547	.2546	2½
Switzerland . . . . .	Franc	.1930	.2292	.2295	1½
United States . . . . .	Dollar	1.0000	1.0000	1.0015	1½
Mexico . . . . .	Peso	.4985	.2775	.2779	4-5
Cuba . . . . .	Peso	1.0000	.9993	1.0000	—
Guadeloupe . . . . .	Franc	.0392	.0446	.0446	—
Jamaica . . . . .	Pound	4.8666	4.9525	4.9487	—
Martinique . . . . .	Franc	.0392	.0446	.0446	—
Other British West Indies	Dollar	1.0138	1.0295	1.0289	—
Argentina . . . . .	Peso (Paper)	.4245	.3293	.3294	3½
		Unofficial	.3025	.3020	—
Brazil . . . . .	Milreis (Paper)	.1196	.0655	.0656	—
British Guiana . . . . .	Dollar	1.0138	1.0295	1.0289	—
Chile . . . . .	Peso	.1217	.0517	.0518	4½
		Unofficial	.0417	.0418	—
Colombia . . . . .	Peso	.9733	.5717	.5706	4
Peru . . . . .	Sol	.2800	.2575	.2579	6
Venezuela . . . . .	Bolivar	.1930	.3150	.3155	—
Uruguay . . . . .	Peso	1.0342	.7920	.7957	—
South Africa . . . . .	Pound	4.8666	4.9362	4.9325	3½
Egypt . . . . .	Pound (100 Piastres)	4.9431	5.0700	5.0580	—
China (Shanghai) . . . . .	Dollar	.....	.2966	.2970	—
Hongkong . . . . .	Dollar	.....	.3043	.3037	—
India . . . . .	Rupee	.3650	.3729	.3729	3
Japan . . . . .	Yen	.4985	.2872	.2873	3.29
Java . . . . .	Guilder	.4020	.5501	.5509	—
Siam . . . . .	Baht (Tical)	.4424	.4530	.4526	—
Straits Settlements . . . . .	Dollar	.5678	.5786	.5793	—
Australia . . . . .	Pound	4.8666	3.9537	3.9500	3
New Zealand . . . . .	Pound	4.8666	3.9850	3.9825	2
		* Unofficial:	.1976	.1980	—

The Dominion Bureau of Statistics has supplied the following note:—

The French financial crisis reached a climax on June 29 when security exchanges were closed by official decree preparatory to making further readjustment in the position of the franc. A day earlier the British Parliament voted a further £200,000,000 to the British Equalization Fund to enable it to deal more effectively with rapid international movements of capital. Spot franc rates were firmly maintained during the week preceding the declaration of the financial moratorium, but forward positions declined sharply. The premium on New York funds at Montreal advanced to 0.156 per cent on June 28, while sterling showed a reactionary tendency to close at 4.9386, nearly a cent below its peak of a few days earlier.

## TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

### Secretary, Board of Trade—

Saint John, N.B.

Halifax, N.S.

Quebec, P.Q.

Montreal, P.Q.

Toronto, Ont.

Chatham, Ont.

Kitchener, Ont.

Stratford, Ont.

Woodstock, Ont.

St. Mary's, Ont.

Portage la Prairie, Man.

St. Boniface, Man.

Winnipeg, Man.

Vancouver, B.C.

New Westminster, B.C.

### Secretary, Chamber of Commerce—

Sherbrooke, P.Q.

Kingston, Ont.

Oshawa, Ont.

Belleville, Ont.

Peterborough, Ont.

London, Ont.

Hamilton, Ont.

Victoria, B.C.

Prince Rupert, B.C.

### Border Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

### Secretary, Canadian Manufacturers Association—

Toronto, Ont.

Montreal, P.Q.

Winnipeg, Man.

Edmonton, Alta.

Vancouver, B.C.

Victoria, B.C.

The Maritime Provinces Trade Commissioner, 122 Federal Building, Toronto, Ont.

The Bureau of Provincial Information. Victoria, B.C.

**Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.**

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Foodstuffs—</b>			
Codfish (Dried).....	448	Alexandria, Egypt.....	Purchase and Agency.
<b>Miscellaneous—</b>			
Patent Medicines.....	449	Birmingham, England.....	Purchase and/or Agency.
Novelties.....	450	Bombay, India.....	Purchase or Agency.
Hosiery.....	451	Tientsin, North China.....	Agency.
Men's Ready Made Suits.....	452	Cape Town, South Africa.....	Agency.
Narrow Elastics (for Corsets, etc.).	453	Bristol, England.....	Agency.
Corset Elastics.....	454	Bristol, England.....	Agency.
Corset Elastics and Fabric.....	455	Bristol, England.....	Agency.
Gabardine Fabric.....	456	Leicester, England.....	Purchase and/or Agency.
Rubberized Shoe Linings.....	457	Leicester, England.....	Purchase.
Paper Felt (for Roofing Felts)...	458	Sydney, Australia.....	Purchase.
Shuttle Blocks.....	459	The Hague, Holland.....	Purchase and Agency.
Maple Planks and Squares.....	460	The Hague, Holland.....	Purchase and Agency.
White Birch Squares.....	461	New York, U.S.A.....	Purchase.
Composition Electrical Switch-board Material.	462	Cape Town, South Africa..	Purchase.



## PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

### From Montreal

*To Liverpool.*—Duchess of Richmond, July 9; Duchess of York, July 16; Montcalm, July 24; Duchess of Bedford, July 30—all Canadian Pacific; Andania, July 16; Antonia, July 30—both Cunard-White Star Line.

*To London.*—Beaverford, July 9; Beaverdale, July 16; Beaverburn, July 23; Beaverbrae, July 30; Beaverhill, Aug. 6—all Canadian Pacific; Aurania, July 9; Alaunia, July 16; Ausonia, July 23; Ascania, July 30—all Cunard-White Star Line.

*To London, Antwerp and Rotterdam.*—Honnor, July 5; Rutenfjell, July 14; Taborfjell, July 26; Harpefjell, Aug. 4—all Fjell Line.

*To Manchester.*—Manchester Regiment, July 8; Manchester Commerce, July 15; Manchester Port, July 22; Manchester Brigade, July 29; Manchester Division, Aug. 5; Manchester Citizen, Aug. 12—all Manchester Line.

*To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—Dorelian, July 17; Dakotian, Aug. 5—both Cunard-Donaldson and Dominion Lines; Boston City, July 9; New York City, July 27; Bristol City, Aug. 14—all Bristol City and Dominion Lines.

*To Glasgow.*—Letitia, July 9; Sulairia, July 16; Athenia, July 23; Delilian, July 30—all Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Cairnross, July 7; Cairnvalona, July 14; Cairnesk (calls at Dundee), July 21; Cairnglen, July 28; Cairnmona, Aug. 4—all Cairn-Thomson Line.

*To Aberdeen and Hull.*—Kyno, July 7; Gitano, July 28—both Ellerman's Wilson Line.

*To Dublin and Belfast.*—Melmore Head (does not call at Belfast), July 8; Fanad Head, July 22—both Head Line (cargo accepted for Cork).

*To Antwerp and Havre.*—Brant County (does not call at Havre), July 6; Hada County (also calls at Dunkirk), July 27; August, Aug. 15—all County Line; Beaverford, July 9; Beaverdale, July 16; Beaverburn, July 23; Beaverhill, Aug. 6—all Canadian Pacific (do not call at Havre).

*To Rotterdam.*—Brant County, July 6; Flint II, Aug. 8—both County Line.

*To Hamburg and Bremen.*—Boehum, Hamburg-American Line, July 23; Beaverbrae (does not call at Bremen), Canadian Pacific, July 30.

*To Copenhagen, Gothenburg and Baltic Ports.*—Korsholm, July 24; Ragnhildsholm, Aug. 25—both Swedish-America-Mexico Line.

*To Marseilles, Genoa, Naples, Messina, Palermo, Lisbon and Leghorn.*—Capo Noli, July 23; Capo Lena, Aug. 13—both Capo Line.

*To Norwegian Ports.*—Topsdalsfjord, Norwegian-American Line, July 15.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Magnhild, July 9 and 24; Eikhaug (does not call at St. Pierre), Aug. 2—both Shaw SS. Co.; Belle Isle, Newfoundland-Canada SS. Co., July 16 and 30.

*To Cornerbrook, Nfld.*—New Northland, July 5; North Voyageur, July 11—both Clarke SS. Co.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Colborne, July 8; Chomedy, July 22; Cornwallis, Aug. 5—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Hamilton (Bermuda), Nassau (Bahamas), Kingston (Jamaica) and Belize (British Honduras).*—Lady Rodney, July 7; Cavalier (does not call at Hamilton or Nassau), July 16; Lady Somers, July 21; Cathcart (does not call at Hamilton or Nassau), July 30—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer, Ocean Dominion SS. Corp., July 16.

*To Brisbane, Sydney and Melbourne.*—Surrey, Montreal-Australia-New Zealand Line, July 29 (calls at Adelaide if sufficient inducement offers).

*To Auckland, Napier, Wellington, Lyttelton, Timaru, Dunedin and Bluff.*—Ardenvohr, Montreal-Australia-New Zealand Line, July 29.

*To Sierra Leone, Walvis Bay, Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques and Beira.*—Egba (does not call at Sierra Leone, Walvis Bay, Lourenco Marques or Beira), July 15; Calgary, July 25—both Elder Dempster Lines Ltd.

*To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Singapore, Madras, Rangoon and Calcutta.*—Urbino, July 15; City of Salisbury, July 31—both Canada-India Service.

*To Belawan Deli, Penang, Port Swettenham, Singapore, Batavia, Cheribon, Samarang, Soerabaya and Macassar.*—Mapia, July 19; Kota Radja, Aug. 19—both Java-New York-Blue Funnel Line.

*To Manila, Hongkong, Shanghai and Dairen.*—City of Lyons, Ellerman & Bucknell SS. Co., Aug. 2.

*To Buenos Aires.*—Rena, International Freighting Corp., July 15 (also calls at Santos and Rio de Janeiro); a steamer, Gardiaz Line, July 12 (also calls at Montevideo).

### From Quebec

*To Southampton.*—Empress of Britain, Canadian Pacific, July 10 and 31.

### From Halifax

*To Liverpool.*—Nova Scotia, July 15; Newfoundland, July 31—both Furness Line.

*To London, Hamburg, Hull, Leith and Dundee.*—McKeesport, July 19; Liberty, July 31—both American Hampton Roads.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Kongshaug, Newfoundland-Canada SS. Ltd., July 12 and 26; Fort Townshend, July 5; Fort Amherst, July 12—both Furness-Red Cross Line; Portia (does not call at St. Pierre), Newfoundland Ry. and SS. Co., July 14; Nova Scotia, Furness Line, July 15.

*To Kingston (Jamaica) and Belize (British Honduras).*—Cathcart, July 5; Cavelier, July 19—both Canadian National.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Nelson, July 15; Lady Hawkins, July 29; Lady Drake, Aug. 12—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer, Ocean Dominion SS. Corp., July 7 and 21.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Colborne, July 12; Chomedy, July 26; Cornwallis, Aug. 9—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Santiago (Cuba) and Kingston (Jamaica).*—Kirsten B. Pickford & Black, July 14.

*To Yokohama, Kobe, Shanghai, Hongkong, Manila, Cebu and Java.*—Chinese Prince, July 19; Javanese Prince, Aug. 16—both Furness-Prince Line; Silverbeech, July 27; Silverwey, Aug. 1—both Silver Line.

### From Saint John

*To London, Aberdeen, Newcastle and Hull.*—Cavallo, Ellerman's Wilson Line, July 15.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Nelson, July 8; Lady Hawkins, July 22; Lady Drake, Aug. 4—all Canadian National.

*To Kingston (Jamaica).*—Harboe Jensen, July 9; Crawford Ellis, July 16—both United Fruit Line.

### From Vancouver

*To Yokohama, Kobe and Osaka.*—Heian Maru, July 24; Hikawa Maru, Aug. 14—both Nippon Yusen Kaisha.

*To Yokohama, Kobe, Shanghai, Hongkong and Manila.*—Empress of Japan (calls Honolulu), July 10; Empress of Asia (calls Nagasaki), July 23; Empress of Canada (calls Honolulu), Aug. 7; Empress of Russia (calls Nagasaki), Aug. 19—all Canadian Pacific; Ixion, July 24; Talthybius, Aug. 21—both Blue Funnel Line (call at Miike but not at Manila).

*To Bombay, Colombo, Belawan Deli, Penang, Singapore, Batavia, Samarang, Soerabaya, Davao and Manila.*—Hoeg Merchant, Silver-Java Pacific Line, Aug. 2.

*To Honolulu, Suva, Auckland and Sydney.*—Monowai, July 7; Niagara, Aug. 4—both Canadian-Australasian Line.

*To Papeete, Auckland, Wellington, Lyttelton, Dunedin, Melbourne and Sydney.*—Limerick, Canadian-Australasian Line, July 25.

*To London, Liverpool and Rotterdam.*—Damsterdyk (calls at Glasgow), July 24; Lochgoil, Aug. 7; Delftdyk (calls at Glasgow), Aug. 21—all Holland-America Line.

*To Antwerp, Hamburg and Bremen.*—Weser, July 17; Schwaben, Aug. 18—both North German Lloyd Line; Seattle, July 6; Tacoma, Aug. 2; Portland, Aug. 9—all Hamburg-American Line.

*To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.*—Rialto, Empire Shipping Co., July 20.

*To Port of Spain (Trinidad) and Bridgetown (Barbados).*—A steamer, Canadian Transport Co., July.

*To Kingston (Jamaica).*—A steamer, Canadian Transport Co., August.

*To Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques, Colombo, Calcutta and Madras.*—Mapia, July 6; Silverbelle, Aug. 5—both Silver-Java Pacific Line.

*To Montevideo, Buenos Aires, Santos, Rio de Janeiro and Bahia.*—Leikanger, Empire Shipping Co., July 31.



# COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

## CANADIAN GOVERNMENT TRADE COMMISSIONERS

### Argentina

J. A. STRONG, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

### Australia

*Sydney*: L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh Streets. (Territory covers Federal District of Canberra, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

*Commercial Agent*: B. MILLIN, The Royal Exchange, Sydney, N.S.W.

*Melbourne*: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building, Melbourne. (Territory covers States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

### Belgium

YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

### Brazil

L. S. GLASS. Address for letters—Caixa Postal 2164, Rio de Janeiro. Office—Ed. Da. "A. Noite," Sala 802, Praca Maua. *Cable address, Canadian.*

### British Malaya

B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory covers the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

### British West Indies

*Trinidad*: M. B. PALMER. Address for letters—P.O. Box 125, Port of Spain. Office—Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, and British Guiana.) *Cable address, Canadian.*

*Jamaica*: F. W. FRASER, P.O. Box 225, Office—Canadian Bank of Commerce Chambers, Kingston. (Territory covers Jamaica, Haiti, the Bahamas, and British Honduras.) *Cable address, Canadian.*

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*Shanghai*: H. A. SCOTT. Address for letters—P.O. Box 264. Office—Ewo Building, 27 The Bund, Shanghai. (Territory covers Central China and North China.) *Cable address, Canadian.*

### Cuba

C. S. BISSETT. Address for letters—Apartado 1945, Havana. Office—Royal Bank of Canada Building, Calle Aguiar 75, Havana. (Territory includes Dominican Republic and Puerto Rico.) *Cable address, Canadian.*

### Egypt

HENRI TURCOT. Address for letters—P.O. Box 1770, Cairo. Office—22 Shari Kasr el Nil, Cairo. (Territory includes the Sudan, Palestine, Cyprus, Iraq, Syria, Iran, Greece, Turkey, Bulgaria, and Roumania.) *Cable address, Canadian.*

### France

HERCULE BARRÉ, Commercial Attaché, 3 rue Scribe, Paris (9). (Territory includes French Colonies in North Africa.) *Cable address, Cancomac.*

### Germany

J. C. MACGILLIVRAY, Mönckebergstrasse 31, Hamburg. (Territory includes Germany—except the Rhine Valley—Czechoslovakia, Austria, and Poland.) *Cable address, Canadian.*

### Hongkong

V. E. DUCLOS. Address for letters—P.O. Box 80, Hongkong. Office—Gloucester Building, Hongkong. (Territory includes South China, the Philippines, and Indo-China.) *Cable address, Canadian.*

### British India

PAUL SYKES. Address for letters—P.O. Box 2003, Calcutta. Office—23 Esplanade Mansions, Government Place East, Calcutta. (Territory includes Burma and Ceylon.) *Cable address, Canadian.*

### Irish Free State and Northern Ireland

JAMES CORMACK, 66 Upper O'Connell Street, Dublin, Irish Free State (*cable address, Canadian*); and 40 Victoria Square, Belfast, Northern Ireland.



## CANADIAN GOVERNMENT' TRADE COMMISSIONERS—*Con.*

### Italy

A. B. MUDDIMAN, Via Manzoni Nr. 5, Milan (102). (Territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia.) *Cable address, Canadian.*

### Japan

*Tokyo:* J. A. LANGLEY, Commercial Secretary. Address for letters—P.O. Box 401, Tokyo Central. Office—Canadian Legation, 16 Omotecho, 3-chome, Akasakaku, Tokyo. *Cable address, Canadian*

*Kobe:* P. V. McLANE. Address for letters—P.O. Box 230, Kobe. Office—309 Crescent Building, 72 Kyomachi, Kobe. *Cable address, Canadian.*

### Mexico

ACTING TRADE COMMISSIONER. Address for letters—Apartado Num. 126-Bis, Mexico City. Office—Edificio Banco de Londres y Mexico, Num. 30, Mexico City. (Territory includes Guatemala, Honduras, and Salvador.) *Cable address, Canadian.*

### Netherlands

ACTING TRADE COMMISSIONER, Coolsingel 111b, Rotterdam. (Territory includes the Rhine Valley and Switzerland.) *Cable address, Canadian.*

### New Zealand

W. F. BULL. Address for letters—P.O. Box 33, Auckland. Office, Yorkshire House, Shortland Street, Auckland. (Territory includes Fiji and Western Samoa.) *Cable address, Canadian.*

### Norway

RICHARD GREW, Stortingsgaten 28, Oslo. (Territory includes Sweden, Denmark, and Finland.) *Cable address, Canadian.*

### Panama

W. J. RIDDIFORD. Address for letters—P.O. Box 222, Panama City. Office—Royal Bank of Canada Building, Santa Ana Plaza, Panama City. (Territory includes the Canal Zone, Venezuela, Colombia, Nicaragua, and Costa Rica.) *Cable address, Canadian.*

### Peru

M. J. VECHSLER. Address for letters—Casilla 1212, Lima. Office—Portal de Belén No. 166, Plaza San Martin, Lima. (Territory includes Bolivia, Ecuador, and Chile.) *Cable address, Canadian*

### South Africa

*Cape Town:* G. R. HEASMAN. Address for letters—P.O. Box 683, Cape Town. Office—Cleghorn & Harris Building, Adderley Street, Cape Town. (Territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar.) *Cable address, Cantracom.*

*Johannesburg:* J. L. MUTTER. Address for letters—P.O. Box 715, Johannesburg. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

### United Kingdom

*London:* FREDERIC HUDD, Chief Trade Commissioner in the United Kingdom, Canada House, Trafalgar Square, S.W.1. *Cable address, Sleighing, London.*

*London:* J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W.1. (Territory covers Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

*London:* W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C.2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—covers United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

*London:* W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W.1. *Cable address, Agrilson.*

*Liverpool:* H. R. POUSSETTE, Martins Bank Building, Water Street. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

*Bristol:* E. L. McCOLL, Northcliffe House, Colston Avenue. (Territory covers West of England, South Wales, and South Midlands.) *Cable address, Canadian.*

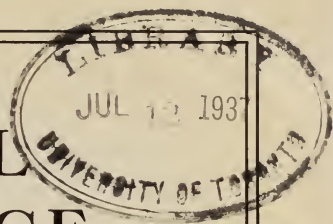
*Glasgow:* G. B. JOHNSON, 200 St. Vincent Street. (Territory covers Scotland.) *Cable address, Cantracom.*

### United States

*New York City:* D. S. COLE, British Empire Building, Rockefeller Center. (Territory includes Bermuda.) *Cable address, Cantracom.*

**Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.**

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# COMMERCIAL INTELLIGENCE JOURNAL

Vol. LVII

Ottawa, July 10, 1937

No. 1745



Canadian Frozen Fish being discharged direct from Ship to  
Refrigerated Railway Vans at Cardiff Docks

ISSUED BY AUTHORITY OF  
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE  
JAMES G. PARMELEE, DEPUTY MINISTER

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Vol. LVII

Ottawa, July 10, 1937

No. 1745

## TRADE COMMISSIONERS ON TOUR

The following Canadian Trade Commissioners are now on tour in the Dominion: Mr. F. W. Fraser, Kingston, Jamaica (whose territory covers Jamaica, Haiti, the Bahamas, and British Honduras); Mr. G. R. Heasman, Cape Town, South Africa (whose territory includes Cape Province and South-west Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar); and Mr. L. S. Glass, Rio de Janeiro, Brazil. Their itineraries are as follows:—

### Mr Fraser

Hamilton . . . . .	July 12 to 14	Kingston, Gananoque, and
Belleville and Picton . . . . .	July 19	Brockville . . . . . July 20

### Mr. Heasman

Montreal . . . . .	July 19 to 31	Fredericton . . . . . Aug. 6 and 7
Granby . . . . .	Aug. 3	Saint John . . . . . Aug. 9 and 10
Quebec . . . . .	Aug. 4	Halifax . . . . . Aug. 12

### Mr Glass

Vancouver . . . . .	July 19 to 24	Kitchener . . . . . Aug. 11 and 12
Winnipeg . . . . .	July 26	Hamilton . . . . . Aug. 13 and 14
Toronto . . . . .	July 29 to Aug. 10	London . . . . . Aug. 16

Firms who wish to be brought in touch with the Trade Commissioners should communicate for Vancouver, Winnipeg and Toronto, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other cities with the respective Board of Trade or Chamber of Commerce.

## CONDITIONS IN NEWFOUNDLAND<sup>1</sup>

A. E. BRYAN, INSPECTOR, CANADIAN TRADE COMMISSIONER SERVICE

### II

### Foreign Trade

(The figures in this report are based on Newfoundland Government returns for the fiscal year ended June 30, 1936)

St. John's, March 22, 1937.—The total foreign trade of Newfoundland was valued at \$49,553,000 for the fiscal year ended June 30, 1936. Considering the population of the colony, Newfoundland has one of the greatest per capita trades in the world, amounting last year to \$171.46 per head of her population compared with \$129.56 for Canada.

Total imports into Newfoundland last year were valued at \$20,691,093, or \$71.59 per head, compared with \$51.15 per head for Canada, while the colony's export business, which totalled \$28,862,360, figures out at \$99.68 per head compared with a per capita export business of \$78.40 for Canada.

<sup>1</sup>The first section of this report entitled "Conditions in Newfoundland: General" was published in *Commercial Intelligence Journal* No. 1735, May 1, 1937.

The following figures give the value of total imports and exports of Newfoundland for the last ten years:—

Year	Imports	Exports	Total Foreign Trade
1925-26.. . . . .	\$27,552,000	\$27,563,000	\$55,115,000
1926-27.. . . . .	25,813,000	30,939,000	56,652,000
1927-28.. . . . .	27,637,000	33,644,000	61,281,000
1928-29.. . . . .	29,237,000	36,797,000	66,034,000
1929-30.. . . . .	31,871,151	40,051,959	71,922,000
1930-31.. . . . .	25,261,701	33,537,569	58,798,000
1931-32.. . . . .	18,135,651	26,689,476	44,824,000
1932-33.. . . . .	15,166,868	24,475,032	39,641,000
1933-34.. . . . .	16,305,562	26,791,503	43,096,000
1934-35.. . . . .	19,240,425	27,229,125	46,469,000
1935-36.. . . . .	20,691,093	28,862,360	49,553,000

While the total trade showed an increase of 6.63 per cent during the fiscal year ended June 30, 1936, compared with the previous period, imports increased by 7.84 per cent compared with only 5 per cent for exports. Since the year 1932-33, when both imports and exports dropped to the lowest point for many years, imports have gained by 36.4 per cent and export business has increased by 17.6 per cent. With higher yields for both fish and newsprint, a substantial increase in the export trade of the colony should be recorded during the present year, which in turn will bring about greater imports due to the fact that the country is dependent upon outside sources for the greater part of its food requirements and also for manufactured goods of an essential kind.

#### TRADE BY COUNTRIES

The following table shows the total value of imports into and exports from Newfoundland for the fiscal years ended June 30, 1935-36. The table also contains comparative figures for the principal countries.

Country	Imports		Exports	
	1935	1936	1935	1936
Total .. . . . .	\$19,240,425	\$20,691,093	\$27,229,125	\$28,862,037
Canada .. . . . .	7,154,731	7,635,451	2,183,624	2,866,800
United Kingdom.. . . . .	4,683,940	5,232,605	10,316,579	11,327,187
United States.. . . . .	5,700,234	6,199,928	5,171,646	6,219,925
Germany .. . . . .	178,134	184,377	435,283	262,102
Holland .. . . . .	150,167	139,335	158,293	319,473
St. Pierre .. . . . .	15,267	17,557	33,611	28,016
Belgium .. . . . .	70,307	26,112	1,807,931	2,539,685
Japan .. . . . .	46,083	59,818	.....	.....
Norway .. . . . .	31,923	26,517	2,656	75
Portugal .. . . . .	28,982	19,818	925,482	994,565
Czechoslovakia .. . . . .	88,919	75,593	11	1
Spain .. . . . .	99,813	116,600	1,376,505	1,041,622
Argentina .. . . . .	13,744	73,981	459,581	.....
Brazil.. . . . .	3,074	4,062	1,172,309	854,577
Denmark.. . . . .	165,638	216,803	96,608	64,328
Italy .. . . . .	29,833	12,996	913,942	206,120
British West Indies .. . . . .	255,052	163,892	852,409	698,775
Greece .. . . . .	27,345	25,863	269,082	344,656
France.. . . . .	56,433	46,552	415,691	340,621
Ceylon.. . . . .	316,281	273,819	.....	.....
Sweden.. . . . .	50,635	56,583	2,963	3,400

#### THE EXPORT TRADE OF NEWFOUNDLAND

During the fiscal year 1936 total exports of the colony were valued at \$28,862,000, of which 48.3 per cent comprised newsprint, 22.2 per cent fish,

22 per cent ores and minerals, and 7.5 per cent miscellaneous products. In the same period Canada purchased 10 per cent of the fish, 28 per cent of the ores, 18 per cent of the fish and animal oils, and 26 per cent of the furs that were exported from Newfoundland.

Taking the colony's export trade as a whole, Canada was credited with 8.02 per cent in 1935 and 9.9 per cent in 1936. On the other hand, 37.9 per cent of the total exports were taken by the United Kingdom in 1935, and 39.2 per cent in 1936. The United States was credited with 19 per cent in 1935 and 21.5 per cent in 1936.

#### WOOD AND PAPER

In the case of Newfoundland's exports to both the United Kingdom and the United States, the product of major importance was newsprint, which last year made up 80.6 per cent of her sales to the United Kingdom and 77.5 per cent of her exports to the United States.

There are two paper mills in Newfoundland, one operated by the Anglo-Newfoundland Development Co. Ltd., and located at Grand Falls, and the other operated by the International Power and Paper Company located at Corner Brook. The mill at Grand Falls worked at full capacity throughout the year, but the Corner Brook mill showed a 10 per cent decrease in production, due to a serious breakdown in their power plant. Complete statistics for the years 1935 and 1936, covering the paper industry in Newfoundland, have been prepared by the St. John's Board of Trade. These are on file at the Department of Trade and Commerce.

#### NEWSPRINT

During the year ended June 30, 1936, there were 3,312,879 tons of newsprint valued at \$13,950,079 exported from Newfoundland. The United Kingdom was credited with 206,129 tons valued at \$9,123,857, while the United States was credited with 106,750 tons valued at \$4,826,222. These two countries consumed the total export surplus of the colony and there were no shipments of newsprint to other countries. Canada imported 40 tons of kraft paper valued at \$2,628 during the year.

#### PITPROPS AND PULPWOOD

Fair quantities of pitprops are exported annually to the United Kingdom. Last year shipments of peeled pitprops amounted to 10,618 cords valued at \$57,693. Shipments of rough pitprops amounted to 20,638 cords valued at \$103,638.

Total exports of pulpwood amounted to 12,470 cords valued at \$72,696 during the year. The chief consuming countries were the United Kingdom and France. Other wood goods exported from Newfoundland include lumber, hardwood, and wood-wool.

Two companies have been organized recently to cut pitprops and pulpwood for shipment to the United Kingdom. The Labrador Development Company, Limited, was established in 1934 for the purpose of undertaking a barter business with the United Kingdom. Pitprops are cut and shipped to large coal mines in Wales, in return for coal which is brought back to Newfoundland and sold to the government railways, institutions, etc. As a matter of fact the Commission of Government has participated in this enterprise to the extent of loaning the company over \$200,000 for 10 years at 4½ per cent. Last year approximately 21,000 cords of pitprops were exported to Wales. The program this year calls for shipment of 180,000 tons of pitprops in return for 100,000 tons of coal. This company now has a crew of 450 men working



in the Labrador bush getting out the pitprops. These men receive \$2 per cord for cutting the wood and it is said that some of them earn as much as \$100 per month.

The other firm—"Island Timber Company, Limited"—was formed just recently to cut pitprops and pulpwood on timber limits held under lease from the Crown at Bay d'Espoir and on the north shore of the Bay of Islands. Plans called for cutting 10,000 cords of pulpwood during the winter months just ended. It is said that the Bowater newsprint interests in the United Kingdom have contracted for substantial quantities of Newfoundland wood, although their original desire to secure a ten-year contract for 100,000 cords could not be realized. Prices realized last year were \$6.50 a cord in Newfoundland, which is a one-dollar increase over the previous year.

Hardwood was sold to Canada to a value of \$5,908. This consisted of 311,046 feet of hardwood blocks or "chucks" for use as blocks or supports in the framework of the coal mines at Sydney. There are a number of small schooners of 150-200 tons which ply between Sydney and coastal ports of Newfoundland carrying coal. On the outward voyage to Canada these vessels fill up with these hardwood chucks for the mines and a business of increasing importance is under development. It is said that at least 500,000 feet of blocks will be shipped to Canada this year.

#### FURS

There are several black fox farms in the vicinity of St. John's although, in spite of advantageous climatic conditions, the fox industry has not attained the importance commercially that it has in Canada, due to the high cost of necessary fox foods such as meats—horse and beef—which must be imported, and also vegetables, cereals, bread, etc., which are all more expensive than in Canada. A small experimental mink farm is being conducted by the Government, which also has a plan under way for importing a herd of reindeer into Labrador.

During 1936 furs to the value of \$260,934 were exported. The principal consumer was the United Kingdom, which was credited with imports valued at \$176,000. Shipments to Canada were valued at \$68,242 and to the United States at \$16,532.

#### MINERALS AND ORES

Over 22 per cent of Newfoundland's total exports during 1936 consisted of iron ore, zinc and lead concentrates, limestone, gold, fluorspar and copper.

Exports of iron ore amounted to 830,045 tons valued at \$2,250,761, Canada being credited with 575,049 tons valued at \$1,563,551. Other consuming countries in order of importance were the United Kingdom, Holland and Germany.

Shipments of zinc concentrates amounted to 152,186 tons valued at \$1,961,823. The bulk of these exports went to Belgium, but good quantities were also taken by the United Kingdom and France.

Lead concentrates amounting to 44,558 tons valued at \$1,864,486 were exported during the year, chiefly to Belgium, which country was credited with imports of 33,728 tons valued at \$1,423,201. Other consuming countries were the United States and Germany.

On the whole Canada was Newfoundland's best customer for ores and minerals; this was due to her large purchases of iron ore from the Bell Island Mines, which were controlled and operated by a Canadian company.

The following figures, published by the Commission of Government, show the total quantity and value of minerals exported during the calendar years 1935 and 1936:—

	1935		1936	
	Tons	Value	Tons	Value
Iron . . . . .	726,335.00	\$2,004,674.96	754,637	\$1,946,463.18
Zinc . . . . .	140,773.39	1,869,624.06	123,026	1,505,921.37
Lead . . . . .	40,120.63	1,607,405.50	42,107	1,950,600.82
Copper . . . . .	480.07	22,040.48	10,315	467,232.35
Table concentrates . . . . .	441.29	50,645.66	637	69,486.90
Fluorspar . . . . .	3,077.00	18,462.00	8,457	50,682.00
Limestone . . . . .	220,760.00	220,760.00	162,600	162,600.00
		<hr/> \$5,793,612.76		<hr/> \$6,152,986.62

It will be observed that there was an increase of over 6 per cent in the value of minerals produced and sold last year compared with the previous period, and because of renewed shipments of iron ore to Germany and additional contracts recently received from Great Britain it is evident that exports for the present year will be much greater than in 1936. The mines at Bell Island have lately increased employment from 1,800 to 2,200 men, and two mines, which have been shut down for a year or more, have been brought into production again.

The lead-zinc mines at Buchans on the West Coast, aided by higher base metals prices, worked to capacity during 1936 with about 500 men engaged. This mine is owned jointly by the Anglo-Newfoundland Development Company and an American company which operates it. They have a large and up-to-date concentrator at the mine and sell their product—zinc and lead concentrates—chiefly to Belgium, but in smaller quantities to the United Kingdom, France, the United States and Germany.

Limestone is produced at Aguathuna, Port aux Port, by a Canadian company which ships its entire output to the Steel Company at Sydney. The same company takes about half the fluorspar which is mined at St. Lawrence, where one hundred men are employed. This mine gives promise of development.

#### BERRIES

A business of considerable importance has been developed in the export of wild berries, particularly blueberries, over 90 per cent of which are sold to importers in the United States. Total exports of blueberries during the year under review amounted to 3,606,747 pounds valued at \$176,352; of this amount the United States took 3,605,857 pounds valued at \$176,314.

Blueberries and lingon berries are the most important wild varieties grown and are found in almost all parts of the island. In 1936, 3,606,747 pounds of blueberries were shipped abroad compared to 3,500,000 pounds in 1935. They are usually packed in ten-gallon boxes, frozen, and then placed in cold storage for shipment as required. An experiment in the putting up of blueberries in small quart boxes, attractively wrapped in cellophane, for shipment to the New York and Boston markets is now being made.

The lingon, or partridge berry (as it is known in the Maritimes, sometimes called "rock cranberry") is one of the most prevalent of the wild fruits found in Newfoundland. It has a very distinctive flavour and its chief sale is amongst Scandinavian colonies in the United States, especially on the Pacific Coast, who consider it a delicacy. These berries are also sold to jam and preserve manufacturers in fair quantities. They can be easily exported by placing them in water without preservative of any kind; all that is required is to keep the container airtight. Lingon berries are shipped in wooden barrels containing twenty gallons.

Another local berry which is unknown to the majority of Canadians is the "bakeapple," which is about the size of a green pea, contains many seeds and tastes not unlike a cranberry. Comparatively small quantities have been exported up to the present, but they are in great demand by visitors to the



Island and should prove popular in other markets. (Samples of lingon berries and canned bakeapples are available at the Department of Trade and Commerce, Ottawa.)

#### FISH

The fisheries of Newfoundland, as is well known, are of first importance to the economic life of the colony. The fishing industry and the fish trade are dealt with in a separate section of this report, but certain export figures may be conveniently mentioned here. There are in all thirteen varieties of fish exported from Newfoundland, in dried, pickled, fresh, filleted, split, preserved or smoked forms. Total value of exports during 1936 amounted to \$6,397,736, of which dried cod fish alone accounted for \$4,939,895. Exports to Canada during the year were valued at \$624,487, while exports to the United Kingdom and the United States were valued at \$619,097 and \$206,664 respectively.

#### MINERAL EXPLORATION WORK

In the hope of discovering new mineral deposits the Geological Division of the Department of Natural Resources, operating under a special appropriation which approximated one-sixth of the royalties received by the Government from active mines, arranged for a number of geological surveys during 1936. About ten experts, eight of whom were American university geologists, spent the summer months in Newfoundland making an intensive study of areas that had been set apart for investigation. Encouragement is also given by the Government to private exploitation of the mineral resources of the Island. The Geological Division recently purchased an up-to-date diamond drill with a capacity for drilling and recovering a core to a depth of 600 feet. This machine, together with an expert operator, is rented to holders of mineral lands at cost and its usefulness was demonstrated in many ways last summer, particularly in the Canada Bay marble areas. In addition the Government maintains a laboratory with an assay office where during the year 1936, 609 determinations were made on local ores.

A few notes taken from the official Government report and giving a brief description of the purpose and results of surveys undertaken last year may be of interest:—

*Hare Bay.*—"The presence in this bay of serpentine rocks had been revealed by pioneer geologists. Here are to be found formations of chromite, asbestos, copper and nickel. A geologist was engaged to map the Hare Bay quadrangle geologically for publication, at the uniform map scale of one inch to one mile. Topographical surveys were carried out, the results of which are to be published soon."

*Canada Bay.*—"The commercial possibilities of blue limestone or marble as a building stone were investigated and a noted marble expert from the United States was engaged to make a detailed survey of the various types of marble deposits now being explored by the Canada Bay Marble & Mines, Ltd., operating in this area. Diamond drilling was undertaken in several localities to determine the persistence and structural qualities of the stone and a total of 540 feet of drilling had been completed up to the end of the year. In addition, a regional geological survey of Canada Bay area, also a topographical survey was conducted by the Department of Natural Resources, with the result that this area has been brought to the fore as a potential producer of building stone, as well as a number of other minerals."

*Port Saunders.*—"A party of geologists was sent to the interior of the Northern Peninsula of Newfoundland, which area has been almost unknown geologically. From the character of the rock exposures on the eastern shores



and on the highlands near the west coast, it was assumed that the formation here would consist of ancient pre-cambrian rocks, where deposits of iron, zinc, talc, etc., would occur in a similar way to their occurrence in the Grenville sub-province of the Canadian pre-cambrian shield. A bulletin will soon be issued on the results of the Port Saunders survey and will include descriptions of gold and nickel-bearing deposits found there."

*Sops Arm.*—"A geologist was sent to Simms Ridge at Sops Arm in the White Bay district where previous attempts had been made to mine gold, iron, asbestos, etc. At the same time a private company undertook certain investigation work in the same area. In a short time a map and bulletin is to be published showing the distribution of favourable prospecting ground and indicating the necessity for underground work to ascertain the presence of gold in commercial quantities at Simms Ridge."

*Bay St. George.*—"This area contains known deposits of coal, gypsum, clays, etc., and a geologist was assigned to make a reconnaissance survey of this area in order to map the boundaries and to report on the structures of the coal measures and associated rocks. The St. George coal field has recently passed into the control of local interests. A preliminary report will soon be issued on the gypsum resources of this area, as well as the possibilities for development of coal and other minerals."

*Fleur de Lys.*—"Government geologists visited this area in company with a consultant engineer from the United States. Already there is a property containing one shallow shaft and short drift from which some high grade ore was extracted a few years ago. Recently a company by the name of the Anglo-Newfoundland Investment Trust Limited was formed, principally with English capital, to mine molybdenum here, and they have already uncovered a vein 1,600 feet long and 1 to 7 feet in width carrying more than 11 per cent lead. Early in December nearly 200 men were employed equipping this mine for development."

*St. Lawrence.*—"Another geological party was sent to St. Lawrence, where there is already a fluorspar producing property. Increasing shipments of unusually pure spar are being made, much of it going to the Steel Company at Sydney. Complete survey of this area promises to be an important source of fluorspar for many years."

*Manuel's.*—"A topographical survey was undertaken by another geologist of this area, where pyrophyllite deposits have attracted attention for some years past. Small quantities of talc have been produced and test shipments have already been made to Canada and to Corner Brook in order to determine its adaptability to papermaking."

*Rencontre East.*—"An American firm is interested in molybdenite deposits in this field and with their co-operation Government geologists have taken underground explorations of deposits. The results of the investigations will be made public shortly, along with a topographical survey of the same area."

*Pilley's Island.*—"This area has been under study for three years due to the presence of pyrite deposits and the possibilities for commercial development of processes for making elementary sulphur from iron sulphide."

*Labrador.*—"A mineral concession of approximately 720,000 square miles in the western part of Labrador was granted to the Labrador Mining & Exploration Company, Ltd., in which certain Canadian mining interests are represented. Systematic exploration of this area was undertaken last season by a number of geological parties, aided by aerial transport and radio communication. Work so far undertaken indicates that a stratum of rock exists of an age similar to that in which gold and other minerals were discovered in Ontario and Quebec."

*Humbermouth.*—"In addition to the minerals already referred to, the International Power and Paper Company have been mining limestone at Humbermouth. Already 31,667 tons have been produced for use by the local newspaper companies and by the Newfoundland Government Railways."

It will be evident, therefore, that as a result of the encouragement being extended to mining, the Commission of Government has confidence in the mineral possibilities of the colony, which should in time contribute substantially to the national income and be the means of providing employment to many who are now on relief. In a country having such valuable properties as Buchans lead and zinc mines, and Bell Island, and probably the world's largest deposits of hematite iron ore, it is altogether probable that there are other mineral occurrences of importance. The principal requisite which has been lacking in the past is the capital to finance exploration and development work. It is assumed, however, that as the various deposits are proven in commercial quantities, outside interests will apply for concessions, as a result of which an active mining industry will spring up which may prove to be the foundation of Newfoundland's prosperity.

Just recently a mining company has been incorporated under the name of "Prospectors Financing Syndicate, Limited," with local capital of \$150,000, the directors of which are prominent business men of St. John's and Corner Brook. This syndicate has taken over a number of claims and obtained options on various properties, including claims at LaPoile, which show valuable assays of lead, zinc, silver, and copper.

## MARKET FOR HOPS IN THE WEST OF ENGLAND, SOUTH MIDLANDS, AND SOUTH WALES

E. L. McCOLL, CANADIAN TRADE COMMISSIONER

Bristol, June 22, 1937.—The demand for hops in the West of England and South Wales depends upon the consumption of the 106 breweries situated in that territory. The annual consumption in the United Kingdom is between 275,000 and 300,000 cwts.

### PRODUCTION, IMPORTS, AND DEMAND

The production of hops in England during 1936 is officially estimated at 252,000 cwts., from an acreage planted of 18,317. This shows an increase of 3,700 cwts. over the previous year. The yearly average over the last ten years was about the same.

According to United Kingdom statistics, the average annual imports from the United States for the five years ended 1935 amounted to 22,497 cwts. The average for the same period from Canada was 2,452 cwts. The Dominion Bureau of Statistics figures show exports of hops to the United Kingdom for the calendar years 1935 and 1936 respectively of 376,442 pounds (\$91,458) and 137,889 pounds (\$51,896).

The pre-war demand of brewers in the United Kingdom of 550,000 cwts. of hops fell to almost 220,000 cwts. in 1932. The decline is due to several reasons. "Hopping" has dropped to an average of 1.29 pound per standard barrels of 35 gallons; people are drinking a lighter variety of beer; there is increased taxation, and the radio and moving picture films have drawn many people away from the public-house.



## MARKETING OF 1936 CROP

The Hops Marketing Board received from the growers 229,000 cwts. of the 1936 crop, while the brewers' demand had been estimated at 225,000 cwts. Not included in that estimate, and not controlled by the Hops Marketing Board, are hops grown by brewers for their own consumption and by a few producers who have direct contracts with brewers. This portion would be the difference between the estimate of production made by the Ministry of Agriculture—252,000 cwts.—and the quantity handed over to the Hops Marketing Board by independent growers—229,000 cwts.—or about 23,000 cwts. By March 31 the Hops Marketing Board had sold 215,167 cwts. at an average price of £9 per cwt., plus 10s. per cwt. for the Levy Fund. Handling costs and administration expenses of 5s. per cwt. were deducted from the £9 handed over to the grower.

## CHIEF VARIETIES

The spread in values of the different varieties and qualities is indicated by the following quotations published in the *London Corn Circular*, dated May 31, 1937:—

1936 crop—	£	s.	£	s.	
Goldings . . . . .	10	10	to	13	10 per cwt.
Golding varieties . . . . .	9	0	to	11	0 per cwt.
Fuggles . . . . .	8	10	to	11	0 per cwt.

There are three main varieties of hops consigned to the Hops Marketing Board—namely, Goldings, Golding Varieties, and Fuggles. Fuggles comprise about 75 per cent of the crop, and the remaining 25 per cent is divided fairly equally between Goldings and Golding Varieties.

The demand by the breweries for English hops—not grown by the breweries themselves—of the 1937 crop is estimated at 222,500 cwts.

Imports of hops into the United Kingdom are by agreement controlled by the Hops Marketing Board and are restricted to a quota of 15 per cent per annum of the total market demand for all hops, excluding that produced by brewers for their own consumption.

On August 16, 1925, a duty of £4 per cwt. on imported hops, with a preference of one-third to Dominion hops, was assessed for four years. In 1929, and again in 1933, this duty was reimposed for further like periods. It also will continue for another four years from August 16 of this year. In each of the ten years preceding the imposition of the duty the quantities imported averaged 130,000 cwts. The yearly average imports for the ten years ended 1935 amounted to 53,400 cwts., with a maximum of 82,307 cwts. during 1928 and a minimum of 11,004 cwts. during 1933.

## SYSTEMS OF MARKETING

In 1917 the hop control was established by the Government to regulate the acreage under hops and the distribution of the crop. It came to an end in August, 1925. To take its place a combine or co-operative selling scheme, known as the English Hop Growers Limited, was formed. It lasted until August, 1929.

In September, 1932, a new organization, the Hops Marketing Board, commenced to operate, and is still functioning. An agreement was drawn up and signed by officials of the Hops Marketing Board and representatives of the Brewers' Society acting on behalf of the English brewers. Some of the salient features of the agreement follow:—

## FEATURES OF THE AGREEMENT

It is administered by a joint committee. In April of each year an estimate is made of the total market demand. A quota for foreign imports has been set



at 15 per cent of the market demand for hops not grown by the brewers themselves. An estimate of foreign imports is added to stocks on hand and the total subtracted from the market demand and assigned as quotas to the individual hop-growers of the country. An estimate of costs of production, to which 20 per cent has been added as fair profit, allows the Hops Marketing Board to pay the growers an average price of £9 per cwt. for the total crop, less 5s. per cwt. for administration. Brewers have to purchase on firm contracts from the board  $66\frac{2}{3}$  per cent of their estimated requirements at £9, plus 10s. The 10s. goes into a Levy Fund to protect the unsold portion, if any, of the quota crop. After brewers have fulfilled their  $66\frac{2}{3}$  per cent contracts, they may purchase freely from stock still remaining in the hands of the Hops Marketing Board irrespective of whether such stocks consists of quota or non-quota hops.

The brewers have loyally supported the agreement which their representatives signed, but at its inception they placed themselves on record as opposed to the principle of limitation of the production of English hops, to a monopoly being granted to existing growers, and to a quota on foreign hops in addition to the £4 per cwt. duty, the latter being considered sufficient protection for national growers.

### TRADING

The hop control organizations described above have not interfered with the usual channels of trade. Growers' interests are protected by their agents (called "factors"), who are experts in grading and have always, previous to these hop controls, looked after the marketing of the crops in the interests of their principals, the growers. On the other hand, the merchant represents the interests of the brewers. He is also an expert, not only in the grading values of hops, but in the particular quality required by the brewer whom he represents.

Trading in the 1936 crop began on January 6. As picking ends during the last week in September, over three months are occupied for drying, grading, and valuation. Efforts are being made to have trading begun earlier.

The brewers, with exceptions, insist on using a quantity of foreign hops (principally American) in the brew to maintain the distinctive flavour associated with each of many brands and for which the public have acquired a liking. All planters, except brewers—some of whom have hop fields of their own—must sell their quota to the Hops Marketing Board at £9. If a planter harvests more than his quota, the board accepts no responsibility for the price he will receive for his surplus. If the final total demand by brewers falls below the original estimate which was passed on to the growers in the spring in the form of a quota, and results in a surplus for which there is no market, the Levy Fund will be drawn upon to pay all growers in full for their quotas. The surplus hops will be held over by the board until the following year, when, as stock on hand, it will be taken into account at the time quotas for the following season are estimated.

### CHARACTERISTICS OF HOPS

Hops are judged on the quantity and the quality of a meal of powder called lupulin, which is to be found on the underside of the petals of the female flower or strobile. The lupulin is saturated with an oily, sticky resin, which plays an important role in imparting a distinctive aroma and preservative quality to the beer.

### REQUIREMENTS FOR THE ENGLISH MARKET

Hops for the English market must be free from the effects of disease or pests as the aroma and preservative characteristics of the resin are impaired or destroyed thereby, and the lack of these virtues are immediately detected by the buyer. Two attributes of the resins are their bittering and their pre-

servative values. Blight and mould are well-known diseases of long standing, but in recent years many others have appeared or have been isolated. These new ones, against which precautions must be taken, are downy mildew, hop canker, and nettlewort.

English hop technologists are striving to produce a seeded, disease-resisting hop of good cropping power, combining the aroma of the English Golding or Fuggles variety with the high resin content of the American plant. Some cultivators point out that an improvement along the lines indicated will reduce the quantity of hops required per barrel of beer.

The hop plant is dioecious, bearing the male and female flowers on separate plants. Propagation takes place by cuttings from above the ground or from the underground stems or runners. Except for experimental purposes, hops are never grown from seed.

In England hops are fertilized or seeded. On the Continent they are seedless. In some places on the Continent legal penalties are inflicted upon anyone allowing male plants to ripen in the vicinity of hop gardens. Continental hops are larger than the English variety, for example, the German flower having from 35 to 55 petals compared with the English variety with from 27 to 30. There is little or no demand on the Continent for English seeded hops, and very little use is made of Continental hops in the United Kingdom.

#### AROMA AND QUALITY

The effectiveness of hops depends upon its aroma and the quantity and quality of its resin. Aroma differs with each variety of hops and the quantity of resin varies within narrow limits, not only with each variety but also with each season. The quality of hops is judged and its value estimated by "rubbing" it in the palm of the hand. Factors, merchants, and brewers are experts at classifying the quality of a sample by this method from the aroma and stickiness aroused by the "rubbing." Hop scientists are endeavouring to find an all-round laboratory method of appraising hop quality, but aroma, which is one of the principal characteristics, does not admit of chemical analysis. American hops have a higher resin content than have English hops.

#### HOP PICKING

Hop picking in England begins generally during the first few days in September and continues for about three weeks. Upwards of 100,000 pickers are recruited from East London for the Kent fields, and from the industrial areas of the Midlands, the North and Wales for the Herefordshire and Worcestershire hop gardens. Wages are based at a variable rate per bushel according to the district. In Worcestershire so many bushels to the shilling are agreed upon between the grower and the pickers for each variety or each individual hop yard. This rate does not include food, and is not a rate by the day, but entirely a matter of piece-work. It is not necessarily paid to the individual, but to the group of pickers working at each crib or bin.

#### HOP DRYING

It has previously been indicated that the value of hops, apart from market demand, is determined by the sense of smell and the "rub." This method is applied to appraise the quality of the aroma, the appearance of the plant, and the stickiness of the resin. When drying hops care must be exercised not to injure these qualities by over-heating. The temperature must be kept as low as possible, consistent with being able to dry properly in one kiln two kiln-loads every twenty-four hours. The lower the temperature the better the aroma. There is a considerable amount of direct or open-fire drying employed, by which



method all the products of combustion pass through the hops. On account of this custom brewers test for the presence of arsenic, and they will not accept shipments which contain more than one-hundredth of a grain a pound.

### CANADIAN AND UNITED STATES HOPS

Although there is a preferential duty in favour of Canadian hops, the American "clusters" of Oregon are preferred on account of strong flavour and high preservative value. Sometimes the crop in England is not absorbed, which, added to a relatively large importation, results in re-exports. This occurred in 1936, when a large quantity of hops was shipped from England to the United States. British Columbian Fuggles and Goldings are said to too nearly resemble the English hops of the same two varieties, and the United Kingdom brewer does not require to import them from Canada when there is a surplus production in England.

## FEEDSTUFFS IN THE UNITED KINGDOM MARKET

H. L. BROWN, ASSISTANT TRADE COMMISSIONER

### III

#### SOYA BEAN CAKE AND MEAL<sup>1</sup>

The increasingly widespread use of soya beans industrially, with particular reference to the oil, has brought a steadily expanding supply of domestically produced meal on the market: the average yield of good oil (low in free fatty acids) is about 16 per cent, and the residue therefore bulks large. The oil content of the bean is, to all intents and purposes, the decisive factor in its marketability; at times when the demand for residue has been satiated to such a degree as to seriously affect price, British extractors have been known to import unrefined soya oil rather than be burdened with excess quantities of meal.

#### DESCRIPTION

Soya cake or meal is officially defined: "The residue resulting from the removal of oil from commercially pure soya beans." In general it may be said that soya bean cake is hard, light-coloured, and very rich in protein. The main differentiation between cake and meal lies in the oil content; the cake having a higher oil content is used largely for direct feeding to cattle, while the meal, containing much less oil, finds its chief use as a feedstuff in mixes for the feeding of poultry, etc. The uses are also related to the nature of each material; the cake having been pressed hard must be broken up before use, while the crumbly meal can be blended in any mix. It is probably this low oil content that makes soya meal attractive to the British farmer who regards feed meals of high oil content with disfavour. Crushing is therefore not usually sufficient; the oil must be extracted, usually chemically, both to obtain the optimum quantity of oil and to leave the most acceptable class of meal. Soya cake is customarily purchased with a guaranteed maximum oil content of 5 or 6 per cent, and a protein content of about 40 per cent to 43 per cent. Soya meal usually contains about 1 per cent oil and has a protein content of 44 per cent, or even up to 50 per cent. Fibre content in each case is about 5 per cent. Sales are based on sample and analysis. The cake being in slab is purchased in bulk, while the meal is usually in jute bags of 112 pounds.

<sup>1</sup> A report on "The London Market for Soya Beans and Products" was published in *Commercial Intelligence Journal* No. 1726 (February 27, 1937).



## IMPORTATIONS

At one time importations were substantial and the Danish meal, produced with a low oil content by the solvent extraction process, was in chief favour and brought attractive prices; any revival in importations is usually to the advantage of the Danish supplier. With the increase of the customs duty on foreign meal to 20 per cent, the trade decreased appreciably; in fact, small lots have been exported. The increase in the import duty apparently did not result in greatly increased importations of soya beans, but appears rather to have turned the trade, in part at least, to other oil seeds and particularly to those produced within the British Empire.

In the light of this development and the following statistics (with comparative data on quantities of soya beans), the conclusion is inevitable that importations of meal have increased in 1935 and 1936 almost entirely to supplement domestic supplies, and having in mind the extensive crushing and extracting industry in the United Kingdom, it may be expected that, apart from any expansion in uses, importations of meal will not be of materially greater dimensions:—

	1934		1935		1936 <sup>1</sup>	
	Tons	£	Tons	£	Tons	£
Total . . . . .	8,750	46,496	32,781	185,246	26,192	155,396
Denmark . . . . .	7,070	37,509	25,707	145,764	25,180	148,558
Sweden . . . . .	115	644	2,909	15,230	65	375
Japan . . . . .	225	1,145	1,705	6,690	.....	.....
Cp. Soya beans . . . . .	177,084	.....	158,934	.....	82,151	.....

<sup>1</sup> Preliminary figures.

## RAPE-SEED CAKE OR MEAL

Rape-seed cake or meal is defined officially as "the residue resulting from the removal of oil from commercially pure rape seed"; it is one of the lesser-known oil-seed cakes. The quality usually imported has a protein minimum of 34 to 36 per cent, a fibre maximum of 8 per cent, and an oil minimum of 8 to 10 per cent. As the material is frequently in slabs, shipments are usually in bulk.

Rape-seed cake has never become popular. Local production is small and importations have been limited, as indicated by the following statistics for recent years:—

	1933		1934		1935	
	Tons	£	Tons	£	Tons	£
Total . . . . .	11,343	41,498	11,565	38,728	7,747	29,806
Argentina . . . . .	5,590	19,032	7,842	26,535	3,635	13,998
Roumania . . . . .	.....	.....	3,265	10,564	1,254	5,024
Yugoslavia . . . . .	1,301	4,758	398	1,419	2,047	7,794
Italy . . . . .	4,352	17,384	.....	.....	.....	.....

## NUT CAKES AND MEALS

Nut cakes or meals, including coconut, copra, palm kernel, and ground-nut (peanut) cakes and meals are officially defined: "The residue resulting from the removal of oil from commercially pure nut kernels."

## PALM-KERNEL

Palm-kernel cake and meal, almost unknown in the United Kingdom until twenty years ago, is now used largely, and has been found a cheap and safe food for many kinds of stock, particularly cattle, but also for hogs and even horses. It may be used in larger quantities than some other cakes because it is not so rich in protein.

There are two kinds of palm-kernel meal: palm-kernel cake meal, which is ground cake containing about 6 per cent of oil, and extracted palm-kernel

meal, which contains only about 2 per cent or less of oil. Each has a minimum protein content of approximately 18 per cent. The colour should be bright and the grinding fine. Sales are based on a guaranteed analysis, and the material must be guaranteed free of castor seed. The cake is usually imported in bulk and the meal in bags, preferably of 112 pounds.

Palm-kernel cake and meal were not separately classified in the official statistics of importation until 1935, in which year imports amounted to 1,904 long tons valued at £8,414.

#### COCONUT

Coconut cake is rather similar to palm-kernel cake, but has not become so widely used. The protein content is about 21 per cent and the oil about 8 per cent.

#### GROUND-NUT (PEANUT)

Ground-nut (peanut) cake, which also found a place in this market about twenty years ago, now rivals cottonseed and linseed cakes in the esteem of the farmer. It is made in three qualities. Decorticated ground-nut cake is a feeding stuff of very high value containing as much as 46 per cent protein, 7 to 8 per cent oil, and only 6 to 7 per cent fibre; it is somewhat similar in composition to decorticated cottonseed cake, but much softer. Undecorticated ground-nut cake, which contains the husks, is rather lower in food value because it contains upwards of 23 per cent fibre, but it is still a very valuable feedstuff, having a protein content of 30 per cent and an oil content of over 9 per cent. Semi-decorticated ground-nut cake is intermediate in composition. All three have been found valuable for milch cows and fattening cattle and for sheep. There is also a coarse meal which has a lower oil content of about 1 per cent as compared to 6 to 7 per cent in the higher-class cakes. The material is usually sold on sample but must be guaranteed free of castor seed.

Ground-nut cake and meal was imported to the amount of 110,498 long tons (£643,049) in 1933, 218,473 long tons (£1,123,696) in 1934, and 191,409 long tons (£1,076,543) in 1935. By far the greater part came from British India, but small quantities were supplied by Argentina and France.

#### SEED OIL CAKES AND MEALS

Importations of sundry oil cakes and meals, not discussed above and therefore probably seed cakes in the main, amounted to:—

	1933		1934		1935	
	Tons	£	Tons	£	Tons	£
Total .. . . .	33,609	151,157	59,118	230,692	23,099	98,801
Egypt .. . . .	6,556	30,688	13,534	54,893	2,071	8,465
Java .. . . .	5,919	22,918	11,646	41,428	2,107	8,366
Argentina .. . . .	1,503	7,243	3,094	12,261	6,029	26,573
Sudan .. . . .	1,779	9,270	2,005	9,088	2,928	13,868
Bulgaria .. . . .	2,515	12,515	3,995	17,695	695	3,044
Roumania .. . . .	457	2,015	5,818	20,079	1,047	3,689
Belgium .. . . .	1,351	3,496	1,254	3,482	1,943	4,919

(Other suppliers were Straits Settlements, South Africa, British India, Canada, Russia, Germany, Italy, etc.)

Two of the feedstuffs included under this heading are probably:—

*Sesame cake*, which has a feeding value rather similar to that of the better-known oil cakes, having about 45 per cent protein and 12 per cent oil. This feed is not popular.

*Sunflower cake* was imported from Russia in fairly large amounts up to a few years ago, but importations at the present time are believed to be small. There is, however, a fair importation of the seed and the resultant cake probably comes on the market in compound feeding cakes. The decorticated cake



contains about 37 per cent protein, 13 per cent oil, and 12 per cent fibre, while the undecorticated contains only 19 per cent protein and 7 per cent oil, but has 30 per cent fibre.

### COMPOUND CAKES AND MEALS

Compound cakes or meals are officially defined: "Cakes or meals (other than molasses feeds) consisting of a mixture of any article or of two or more articles mentioned in the First or Second Schedules (of feeding stuffs) with any cakes or meals produced by grinding, crushing, or otherwise treating together, or by mixing together after being separated, crushed, ground, or otherwise separately treated, any two or more raw materials out of which such articles are produced or any one or more of such materials with any other substance or substances."

Compound or mixed cakes and meals are used very largely, but it is not possible to describe them definitely. They are usually sold as proprietary feeds, cakes, meals, etc. Even though the analysis may be the same, the materials used vary so much and change from time to time so as to make it impossible to estimate their content of digestible nutrients and their feeding value. There is, however, an increasing number of compound feeding stuffs of declared composition on the market, and they are finding a good sale among the smaller farmers who lack facilities for buying, storing, and mixing separate feeding stuffs in quantity.

The bulk of the business is in the hands of the United Kingdom manufacturers. The extent of importations is rather indefinite but is believed limited. However, under the heading "feeding stuffs for animals, not elsewhere specified, not sweetened," which may be expected to include some such compound feeding stuffs, there is a fair value of importations, as follows:—

	1933		1934		1935	
	Tons	£	Tons	£	Tons	£
Total . . . . .	55,561	327,244	69,345	483,284	75,279	494,383
Irish Free State . . . . .	12,993	55,909	16,991	76,301	14,249	70,241
Canada . . . . .	7,585	53,616	6,711	60,439	9,088	69,078
Argentina . . . . .	3,403	23,222	7,562	52,922	9,176	64,607
United States . . . . .	5,053	19,614	8,984	70,428	5,946	41,636
Egypt . . . . .	3,975	18,982	3,338	14,651	15,257	67,368
Falkland Islands . . . . .	.....	.....	2,471	21,410	4,261	30,066
New Zealand . . . . .	1,147	9,618	2,234	22,319	2,214	21,375
Australia . . . . .	227	3,607	792	17,305	1,074	18,445
Holland . . . . .	1,320	10,481	1,408	20,179	1,727	16,156
South Africa . . . . .	2,888	18,119	4,553	32,892	765	3,804
Japan . . . . .	47	604	1,143	10,386	1,405	14,531

(Others were British India, Russia, Norway, Germany, Dutch East Indies, Belgium, France, Italy and foreign whale fisheries.)

It is impossible to discover with any degree of accuracy what other items may be included under this general heading.

### ALFALFA (LUCERNE MEAL)

#### REQUIREMENTS

Alfalfa meal is officially defined: "Alfalfa (lucerne), as grown, dried, and ground, to which no other matter has been added." The usual trade requirements are that there shall be a minimum of 15 to 18 per cent protein value, not more than 25 per cent fibre, and the colour shall be bright green, dark rather than light. In particular, a definite analysis of protein and fibre is required. In this connection the Canadian Feeding Stuff Act specifically mentions ground alfalfa straw as a foreign material which may not be admixed in the meal, and while this regulation applies only to sales in Canada, it is usefully applicable to meal intended for the United Kingdom.



The storage of alfalfa in closed barns for any length of time not infrequently causes discoloration; storage in open or Dutch barns permits the free circulation of air, prevents heating, and thereby maintains the natural green colour.

Alfalfa meal is employed largely as poultry feed and is used in mixes for chicks as soon as they hatch; even those fragments of stalk less than  $\frac{1}{8}$ -inch long are sufficient to gag or choke one-day chicks, and fine grinding and sifting are therefore essential.

The meal is imported in minimum lots of 25 or 50 long tons; it is usually packed in bags of 1 cwt. (112 pounds). Payment is generally on the basis of cash on arrival. No official statistics of importations are available, but the principal areas of supply are Canada, South Africa, and California.

#### CANADIAN MEAL

Canada enjoys a good business in alfalfa meal, and that business can be developed by catering closely to the requirements of the market. Difficulties occur from time to time because of lack of protein, heavy fibre content, bad colour, poor sifting, and irregular quality. It cannot be emphasized too strongly that great care is needed in the selection of material, in grinding, and in sifting; finely ground, well-sifted meal of good colour will frequently command a price premium of 2s. 6d. to 5s. a ton.

It is timely to mention that Canadian producers can with advantage continue inquiries into the feasibility of improving their product. Portable dryers for use in the field and more frequent cuttings while the grass is tender offer a means of catering more closely to the requirements of the market by maintaining the high protein content and reducing the fibre content to a minimum. Improvements are being effected in production of lucerne meal in the United Kingdom, but the output is still limited. Of increasing importance, however, grass itself is now being dried and ground into a very satisfactory meal.<sup>1</sup> The grass meal is dried artificially. Sun-dried meal, whether grass or alfalfa, is not considered comparable in quality with the artificially dried product, particularly so far as carotene (vitamin A) and chlorophyll content are concerned; the artificially dried meal retains the vitamin content to a much greater extent. It is stated that English meal usually has a vitamin A content of 350, while Canadian has only 50 to 100.

#### FISH MEALS

##### DEFINITION

Fish meal and fish residue meal are officially defined: "A product obtained by drying and grinding or otherwise treating fish or waste of fish, to which no other matter has been added." White fish meal is officially defined: "A product (containing not more than 6 per cent of oil and not more than 4 per cent of salt) obtained by drying and grinding or otherwise treating white fish or waste of white fish, and to which no other matter has been added." The limits of variation shall not operate so as to permit of the application of the name "white fish meal" to an article containing more than 6 per cent of oil or 4 per cent of salt.

##### FACTORS AFFECTING USE

Fish meal has been found an extremely valuable feeding stuff when used in small quantities. White fish meal has been found especially valuable for growing pigs, and the results of recent investigations by agricultural authorities

<sup>1</sup> See "Grass-Drying in the West of England," published in *Commercial Intelligence Journal* No. 1692 (July 4, 1936).

in the United Kingdom have demonstrated that, if made entirely from the heads, bones, and flesh of white fish, its use produces no taint in bacon, pork, milk, eggs, and chicken flesh. Herring meal, with its relatively high oil content, is still open to prejudice due to what is considered the risk of taint. The Herring Industry Board, in collaboration with the Ministry of Agriculture, recently initiated a scheme of feeding trials with a view to developing the domestic production and use of herring meal as a feedstuff by eliminating or reducing the danger of taint.

#### CONSUMPTION

There are no official statistics of importation except for herring meal, which was first quoted separately in the statistics for 1934. Total importations in 1934 were 1,471 long tons (£16,138), of which Canada supplied 958 tons (£10,830), while in 1935 the total was 693 tons (£6,830), of which Canada supplied 205 tons (£2,141).

Imports of fish meal are much more extensive than the lack of import statistics would suggest; domestic production is also fairly well developed and the meal is found uniform and consistent. The total consumption must reach fairly substantial figures.

#### REQUIREMENTS

Undoubtedly the constituent which most affects the sale of fish meal as a feeding stuff is the content of oil. There appears to be little association in the minds of many consumers between oil content and feeding value, but there is a definite feeling that the higher the oil content the greater the risk of taint. This bears some relation to the official requirement that the oil content of white fish meal shall not exceed 6 per cent; other types of fish meal which are used for feeding purposes are expected by the trade to qualify on a similar basis. This particularly applies to pilchard meal, and is also one of the causes which at present precludes the extensive use as a feeding stuff of salmon meal with its high content of about 12 per cent oil.

This then is the main reason for the stringent observation of requirements by importers, and is connected with their desire that the oil content of herring meal be as low as possible and preferably not over 8 per cent.

Analysis must be on the same basis and by use of the same method as applied in the United Kingdom. The official method, which should be observed in every particular, is quoted in full in *Commercial Intelligence Journal* No. 1743 (June 26, 1937), pages 1139 to 1142. Sampling and analysis should be carried out by reliable and independent authorities; under no circumstances should exporters permit this work to be done by their own employees.

It is also important that separate sets of samples be taken and separate analyses made for each shipment to this market, regardless of the meal having been produced at one mill or being sold to one buyer. Each shipment must stand on its own merits. Group analyses covering several shipments, even to the same buyer, are not satisfactory because irregularity of quality may appear in one or more of the shipments.

The minimum protein content requirements are: herring meal, 70 per cent; white fish, 60 to 70 per cent; pilchard, 65 to 68 per cent; grey fish (dog fish), 70 per cent; and salmon, 55 to 60 per cent. The law sets the maximum content of salt at 4 per cent.

Fine grinding is very desirable—in fact, the finer the better. Coarse grinding may create the impression that the meal is in need of regrinding. Fine grinding also tends to improve the consistency of the meal by assisting in making it more regular and even in composition, as well as texture, thereby obviating some difficulties arising from analysis.

Purchases are based on samples and analysis; packing is usually required in new bags of 112 pounds gross. Shipments are in lots of 25, 50, to 100 tons.



MEAT, BONE, AND BLOOD MEALS<sup>1</sup>

## DEFINITIONS

Feeding meat and bone meal is officially defined: "The product, containing not less than 40 per cent of albuminoids (protein) and not more than 4 per cent of salt, obtained by drying and grinding animal carcasses or portions thereof (excluding hoof and horn) and bone, to which no other matter has been added." Feeding meat meal is officially defined: "The product, containing not less than 55 per cent of albuminoids (protein) and not more than 4 per cent of salt, obtained by drying and grinding animal carcasses or portions thereof (excluding hoof and horn), to which no other matter has been added." The limits of variation shall not operate so as to permit of the application of the names "feeding meat meal" and "feeding meat and bone meal" to articles containing less than 55 per cent and less than 40 per cent of albuminoids (protein) respectively. Feeding bone flour is officially defined: "The product obtained by grinding commercially pure steamed bone." Feeding bone meal, ground bone, or any other bone product for feeding purposes: "Commercially pure bone, raw or degreased, which has been ground or crushed"; feeding dried blood: "Blood which has been dried, to which no other matter has been added."

## FACTORS AFFECTING USE

Pure meat meals, containing no bone material, e.g. 70 to 80 per cent protein, 6 to 13 per cent fat, and a low percentage of mineral matter, must be aided by feeding minerals. The ordinary commercial meat meal, however, usually contains about 60 per cent protein and 20 per cent mineral matter (see definition above), and is found entirely satisfactory as is the feeding meat and bone meal. Brands of both, containing not more than 3 or 4 per cent oil, are available from domestic manufacturers. Importations of meat, meat and bone, and bone meals are extensive and are mainly from New Zealand, Argentina, and Australia; no separate statistics are available, but see table under "Compound Cakes and Meals."

## REQUIREMENTS

There is a great variety of meat meals on the market, the variety being indicated to a large degree in the analyses. One of the more common analyses, representative of a high-grade meal, is: protein minimum 60 per cent, fat maximum 10 per cent, and phosphoric acid maximum 8 per cent; another is: protein minimum 57 per cent, fat maximum 12 per cent, phosphoric acid maximum 10 per cent; still another is: protein minimum 55 per cent, fat maximum 7 per cent, phosphoric acid maximum 7 per cent. It is essential to remember that the regulations under the Feeding Stuffs Act do not permit the use of the name "feeding meat meal" if the protein content falls below 55 per cent; in other words, when the content is below 55 per cent protein, the material will be described as "feeding meat and bone meal."

Meat and bone meals are purchased on the basis of guaranteed minimum protein content of 50 per cent, 45 per cent, or 40 per cent, and guaranteed maximum content of fat and phosphoric acid in proportion.

Bone meal for feeding purposes must be guaranteed sterilized, and is sold with between 30 per cent and 39 per cent protein and guaranteed maxima of fat and phosphoric acid. Bone meal of 40 per cent or more protein would be classifiable as meat and bone meal.

Feeding blood must have a minimum protein content of 80 or 85 per cent. The moisture content will ordinarily average between 8 per cent and 11 per cent. It is advisable to state the moisture content, although this is not

<sup>1</sup> This section and the subsequent paragraph on dried milk have been written in collaboration with W. A. Wilson, Animal Products Trade Commissioner, Canada House, London, S.W.1., and inquiries should be directed to him.



ordinarily essential; in any event, the content of moisture should not exceed 12 per cent. In each case impurities are not entertained, and the content of salt must not exceed 4 per cent.

*Colour.*—The main essential is that the colour be regular. Irregularity of colour creates the impression of irregularity of quality. Meat meals are preferred as light in colour as possible; bone meals should be light grey to white; blood should be dark, nearly black.

*Grinding.*—The grinding should preferably be uniform and should definitely be fine. Meat meals and blood are expected to pass a sieve of  $\frac{1}{16}$ -inch mesh; white bone meals should pass a  $\frac{1}{12}$ -inch or  $\frac{1}{14}$ -inch mesh.

Packing in each case is required in new bags of 112 pounds gross weight. The United Kingdom is open to purchase any tonnage; shipments are usually of not less than 25 long tons.

### SUNDRY FEEDSTUFFS

#### DRIED MILK

Milk and its by-products are available in natural semi-dried and dried forms; only the latter forms are of immediate interest. Dried milk and condensed milk either whole or separated, dried and semi-solid buttermilk, dried and paste whey are all used usually in varying proportion with such as linseed or linseed cake, meal, fish meal, bean meal, etc.

Importations of milk powder, unsweetened, reach large proportions, but purchases abroad have declined steadily in recent years:—

	1933		1934		1935	
	Cwts.	£	Cwts.	£	Cwts.	£
Total . . . . .	280,082	468,809	251,913	461,561	219,144	390,284
New Zealand . . . . .	128,106	252,584	129,407	299,980	130,763	268,923
Holland . . . . .	81,650	93,320	67,379	78,220	45,065	55,193
Canada . . . . .	37,344	55,951	28,359	42,687	30,911	48,594
Australia . . . . .	27,208	59,588	14,274	26,985	10,397	15,059

#### YEAST

Dried yeast is officially defined: "An article produced by drying yeast or yeast residues, to which no other matter has been added." The type usually imported for feedstuff is pure unextracted dried yeast which is flaked or finely ground, the latter form commanding a premium of about 10s. a long ton over the flaked. The usual requirement is 44/45 per cent protein; a guaranteed analysis is generally expected. Packing is preferably in new bags, usually of 100 pounds each. The principal suppliers are the English and Irish brewers.<sup>1</sup> Canadian producers have seldom been greatly interested in this market as they have generally been able to obtain more remunerative prices elsewhere.

#### BREWERS' AND DISTILLERS' GRAINS AND CULMS

Dried brewery grains are officially defined: "The article produced by drying the residue of malted and unmalted cereals used in brewing, to which no other matter has been added." Malt culms are officially defined: "The rootlets and shoots arising from the screening of malt, to which no other matter has been added."

Brewers' and distillers' grains (dried) and malt culms are found more suitable for working or breeding than for fattening. The wet or fresh grains find use as a cheap food for milk production but, because of their perishable nature and bulk, are available only to the few. Due to the large quantities available in the United Kingdom, there is no importation.

<sup>1</sup> Probably included in the table under "Compound Cakes and Meals."  
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### MOLASSES FEEDS

Molasses feeds are officially defined: "Any mixture, containing not less than 10 per cent of sugar, of an absorbent material and treacle or molasses." Treacle or molasses in turn is officially defined: "A concentrated syrup product obtained in the manufacture of sugar from sugar cane or sugar beet, to which no other matter has been added."

Molasses feeds frequently consist of treacle or molasses absorbed in some spongy material such as sugar cane pith, peat moss, etc. (the presence of which must usually be declared). The food value is ordinarily found almost entirely in the molasses, which is used largely in the manufacture of such feedstuffs but also for enhancing the palatability of feeds such as chaff, palm-kernel cake, etc. Importations are negligible, partly because of the customs duty on material containing sugar.

### SHELL

The demand for shell to be used as poultry grit is largely supplied by broken oyster shell, some of which is obtained locally, but supplementary supplies are imported in fair volume principally from the United States. It is commonly supplied in three grades: coarse or poultry, pullet, and chick. Crushing must be uniform and sifting regular. Packing is in bags of 112 pounds and shipments are frequently in lots of 1,000 long tons, and usually in minimum lots of 500 long tons. Sales are based on sample and price is important.

Efforts to sell Canadian clam shell have been without result, largely because Canadian prices were far too high. Prospective exporters should ascertain that their product is of the type and grades described and should then submit a sample of about 1 pound; a sample fully representative of the quality available and separate samples of each grade. Prices c.i.f. London should accompany offers.

The United Kingdom is a very technical market, as will be clear from the points raised, and is readily discovered from experience. The descriptions and details given are those most applicable to the London market as a whole, and are intended to be neither exclusive of other requirements nor necessarily applicable to the needs of other areas of the United Kingdom. A range of specification is provided in many parts of this report to indicate the fact that different importers desire different material perhaps for different uses. This must not be taken as a suggestion that the standards are elastic for, beyond the narrow limits of tolerance which may be indicated in each contract, there is no elasticity in any one contract. The conclusion to be drawn is that attention to detail is essential; it is also definitely worth while, for the possibilities for many Canadian feedstuffs are indeed ample.

## FOREIGN TRADE OF SIERRA LEONE IN 1936

H. L. BROWN, ASSISTANT TRADE COMMISSIONER

[It is expected that an officer of the Commercial Intelligence Service will visit West Africa early in 1938, and exporters interested in that market who may desire to have investigations made on their behalf are requested to communicate at an early date with the Department of Trade and Commerce, Ottawa.]

London, June 15, 1937.—The importance of customs revenue in the public finance of Sierra Leone is evident when note is made that of total revenue of £678,978 in 1935 customs income accounted for £475,335. Customs revenue in 1936 increased to £510,758 and was made up of: import duties, £396,376 (food, £26,761; drink, £41,023; tobacco, £104,434; textiles, £131,113; other goods,



£86,396; Post Office, £6,649); export duties (on kola nuts and palm kernel nuts), £95,318; other sources, £29,064. Of the net increase in revenue from import duties in 1936 as compared with 1935, the greatest increases were on apparel; boots, shoes, and slippers; and cotton piece-goods.

### EXPORTS

The export trade of the colony indicates a favourable balance of trade; the value of exports totalled £2,224,918 in 1936 as compared with £1,556,816 in 1935. The most important items were: palm kernels, £810,238; industrial diamonds, £725,272; iron ore, £262,143; raw gold, £256,139; ginger, £58,673; kola nuts, £41,539; piassava, £32,777; the balance was made up by palm oil, raw cocoa, benniseed, platinum, hides, pepper, rice, and sundry articles. The export trade was distributed as follows: United Kingdom, 61·8 per cent; Germany, 14·8; Holland, 11·1; British West Africa, 7·4; United States, 1 per cent, and the remainder mainly to Europe.

### IMPORTS BY MAIN GROUPS AND COUNTRIES OF ORIGIN

The total value of imports in 1936 was £1,346,715 as compared with £1,214,315 in 1935, an increase of 9·84 per cent. The United Kingdom supplied 70 per cent of the total in 1936, other British countries 14·3 per cent, and the proportions from other countries were: United States, 4·9 per cent; Germany, 2·6; Japan, 1·5; France, 0·9; Belgium, 0·9 per cent.

Details of the importations in 1936 from the leading countries of supply are given in the following table by main groups:—

	Food, Drink, and Tobacco	Manufactured Articles	Total
Total.. . . . .	£231,864	£965,374	£1,346,715
United Kingdom.. . . . .	99,600	711,577	942,746
British Empire.. . . . .	66,454	120,524	192,209
India.. . . . .	986	68,067	69,053
Canada.. . . . .	38,854	6,366	48,219
British West Indies.. . . . .	1,059	22,874	23,933
Hongkong.. . . . .	....	21,759	21,759
United States.. . . . .	27,324	34,102	66,833
Germany.. . . . .	4,314	31,175	35,498
Japan.. . . . .	146	19,605	19,754
France.. . . . .	4,267	8,525	12,829
Belgium.. . . . .	484	11,581	12,065
Czechoslovakia.. . . . .	2,639	8,927	11,617
Holland.. . . . .	5,712	3,841	9,553

The British Empire in this case refers to all British countries other than the United Kingdom; the four countries listed under that heading are the more important suppliers in the Empire. The item manufactured articles includes those mainly as well as wholly manufactured. Raw materials (mainly coal), animals not for food, parcels post, and bullion are not shown separately but are included in the totals; in any event the United Kingdom was the only important supplier of each of these items. Canada's share has increased steadily since 1932 and the value in 1936 trebled that of 1932.

### CUSTOMS TARIFF

Preferential duties were introduced in May, 1932; Canada enjoys the benefit of the preferential tariff. Quotas on imports of textiles from foreign countries were imposed in June, 1934. The tariff is mainly specific, but all edible provisions and articles for human consumption not specifically mentioned in the tariff pay an ad valorem duty of 10 per cent preferential and 25 per cent general and all goods not otherwise provided for pay 20 per cent ad



valorem preferential and 40 per cent general. The more important preferential duties are:—

Cotton goods from 1d. to 1½d. per square yard; fish, canned or otherwise preserved, 6s. 3d. per 100 pounds; fish, dried, salted, smoked, or pickled, not in tins, jars, or bottles, 2s. 6d. per 100 pounds; flour, free (1s. per 100 pounds general); lard, 8s. 4d. per 100 pounds; meat, canned or bottled, 10s. 5d. per 100 pounds; milk, condensed or otherwise preserved, 4s. per 36 pounds; edible oil, 6d. per imperial gallon; spirits (50 per cent volume of alcohol), £1 13s. 6d. per imperial gallon (£1 16s. general); beer, 1s. 6d. per imperial gallon; unmanufactured tobacco, 1s. 2d. per pound (1s. 6d. general); manufactured tobacco, 4s. per pound (6s. general); lumber, 15s. per 1,000 superficial feet. The duties under the general tariff are double the preferential duty except where noted.

### IMPORTATIONS

In this summary only those items of over £5,000 annual value are mentioned, although some of less value which may be of interest to Canadian exporters are included. Measurements used are those standard in the United Kingdom—e.g. the cwt. of 112 pounds—and values are in pounds sterling; the data are for 1936.

#### FOOD, DRINK, AND TOBACCO

The total value of this group was £231,864.

*Beer and Ale, Stout and Porter.*—Total, 115,792 gals., £21,469; United Kingdom, 79,327 gals., £12,421; Irish Free State, 24,600 gals., £7,291; Germany, 8,128 gals., £1,191.

*Biscuits, Bread, and Cake.*—Total, 3,326 cwt., £7,244—mainly United Kingdom.

*Butter.*—Total, 590 cwt., £4,898: New Zealand, 257 cwt., £1,832; Denmark, 107 cwt., £1,281; United Kingdom, 158 cwt., £1,267.

*Cheese.*—Total, 184 cwt., £1,191—mainly United Kingdom.

*Confectionery.*—Total, 827 cwt., £3,299—almost entirely United Kingdom.

*Fish, Canned or Preserved.*—Total, 1,750 cwt., £4,803: United States, 725 cwt., £1,608; Portugal, 395 cwt., £1,239; Canada, 477 cwt., £1,184.

*Fish, Dried, Salted, Smoked, Pickled.*—Total, 268 cwt., £398: United Kingdom and Norway.

*Fruits, Fresh.*—Total, £1,668: United States, Madeira, Spain, United Kingdom, and Australia.

*Flour, Wheat.*—Total, 25,727 cwt., £19,016: Canada, 23,778 cwt., £17,370; United Kingdom, 1,886 cwt., £1,583.

*Meats, Canned and Bottled.*—Total, 427 cwt., £1,897: United Kingdom and Argentina.

*Meats, Fresh.*—Total, 641 cwt., £2,165: United Kingdom, etc.

*Meats, Smoked or Cured.*—Total, 387 cwt., £2,398: United Kingdom mainly.

*Milk.*—Total, 3,093 cwt., £8,410: United Kingdom in greater part.

*Oil, Edible.*—Total, 126 tons, £5,175: almost entirely United Kingdom.

*Salt, not Table.*—Total, 3,930 tons, £18,582: United Kingdom solely.

*Sugar.*—Total, 14,782 cwt., £8,527: United Kingdom and also Czechoslovakia.

*Tobacco, Unmanufactured.*—Total, 1,230,404 pounds, £47,128: United States, 638,935 pounds, £23,019; Canada, 455,303 pounds, £19,311; Nyasaland, 125,643 pounds, £4,466.

*Tobacco, Cigarettes.*—Total, 51,191 pounds, £16,202: United Kingdom entirely.

*Whisky.*—Total, 4,824 gals., £5,860: entirely United Kingdom.

*Wines, Still.*—Total, 63,236 gals., £14,548: South Africa, Holland, Spain, Germany, and France.

#### ARTICLES WHOLLY OR MAINLY MANUFACTURED

The total value of this group was £965,374, over one-third and nearly one-half of which was cotton materials.

*Apparel.*—Total, £38,149: United Kingdom, £18,546; Hongkong, £13,143; Japan, £3,477.

*Artificial Silk Piece-goods.*—Total, 268,755 square yards, £11,898: mainly United Kingdom, but also Germany.

*Bags, not Paper.*—Total, 83,817 doz., £20,677: mainly India.

*Boots and Shoes, Leather.*—Total, 16,436 pairs, £5,526: mainly United Kingdom.

*Boots and Shoes, not Leather (i.e. mainly Canvas with Rubber Soles).*—Total, 197,189 pairs, £12,041: Hongkong, 129,573 pairs, £7,124; India, 58,432 pairs, £3,825; United Kingdom, 6,444 pairs, £788.

*Cotton Piece-goods, Bleached.*—Total, 4,504,655 square yards, £80,279: almost entirely United Kingdom.

*Cotton Piece-goods, Coloured.*—Total, 3,142,465 square yards, £90,083: United Kingdom and India.

*Cotton Piece-goods, Dyed.*—Total, 2,120,710 square yards, £57,624: mainly United Kingdom.

*Cotton Piece-goods, Grey.*—Total, 724,500 square yards. £7,675: United Kingdom.

*Cotton Piece-goods, Printed.*—Total, 3,908,363 square yards, £92,216: United Kingdom.

*Cotton Manufactures, n.o.p.*—Total, £37,352: mainly United Kingdom.

*Cotton Yarn.*—Total, £20,206: United Kingdom.

*Haberdashery and Millinery.*—Total, £5,185: mainly Japan and Czechoslovakia.

*Headwear.*—Total, £14,073: United Kingdom, £5,279; Japan, £3,614; Belgium, £1,459; India, £1,447; Germany, £1,348.

*Wool Yarn.*—Total, 39,957 pounds, £8,540: United Kingdom.

*Wool Piece-goods.*—Total, 69,656 square yards, £6,160: principally United Kingdom.

*Railway Rolling Stock.*—Total, £7,221: United Kingdom.

*Motor Cars.*—Total, 141 units, £20,191: United Kingdom, 94 units, £13,585; Canada, 45 units, £6,059.

*Bicycles and Tricycles.*—Total, 273 units, £1,016: United Kingdom.

*Electrical and Telegraphic Apparatus.*—Total, £8,553: United Kingdom mainly.

*Implements and Tools, Agricultural.*—Total, £127.

*Implements and Tools, Artisans.*—Total, £2,398.

*Implements and Tools, Other.*—Total, £11,664: United Kingdom, £5,865; France, £2,884; Belgium, £1,892.

*Machinery, Electrical.*—Total, £4,285: United Kingdom.

*Machinery, Industrial.*—Total, £4,548: United Kingdom.

*Machinery, Mining and Gold Dredging.*—Total, £36,369: United Kingdom, £29,270; United States, £2,959; Holland, £1,374.

*Machinery, Railway.*—Total, £14,586: United Kingdom.

*Iron and Steel, Corrugated Sheets.*—Total, 871 tons, £12,920: United Kingdom.

*Iron and Steel, Buckets, Pails, and Basins.*—Total, 33,704 dozen, £10,668: mainly United Kingdom.

*Iron and Steel Manufactures, n.o.p.*—Total, £54,384: United Kingdom principally.

#### MISCELLANEOUS

*Dynamite and Cognate Substances.*—Total, 1,745 cwts., £10,686: United Kingdom.

*Cement.*—Total, 4,259 tons, £10,749: United Kingdom.

*Calcium Carbide.*—Total, £580.

*Chemicals, Other.*—Total, £5,007: mainly United Kingdom.

*Leather.*—Total, £109.

*Medicines and Drugs.*—Total, £17,791: United Kingdom almost entirely.

*Oil, Fuel.*—Total, 1,994,141 gals., £20,428: British West Indies.

*Oil, Illuminating.*—Total, 399,409 gals., £15,520: United States, but also British West Indies.

*Oil, Lubricating.*—Total, 45,013 gals., £3,855: United States and United Kingdom.

*Oil, Motor Spirit.*—Total, 372,067 gals., £14,670: United States and also British West Indies.

*Oilcloth and Linoleum.*—Total, £201.

*Paints and Colours.*—Total, 3,192 cwts., £6,947: United Kingdom.

*Paper (except Sensitized).*—Total, £5,135: United Kingdom.

*Perfumery.*—Total, £10,025: United Kingdom.

*Rubber Tires.*—Total, £3,784: United Kingdom.

*Soap.*—Total, 5,838 cwts., £9,000: United Kingdom.

*Stationery (other than Paper).*—Total, £6,219: United Kingdom.

*Wood Casks, etc.*—Total, £642.

*Wood, Manufactured, n.o.p.*—Total, £1,763: United Kingdom.

*Sundry Goods.*—Total, £12,453.

Imports by parcels post amounted to £33,576 and imports of bullion, etc., were valued at £48,325.



## TRADE OF HONGKONG, JANUARY TO MARCH

V. E. DUCLOS, CANADIAN TRADE COMMISSIONER

(Values are recorded in Hongkong dollars. One Hongkong dollar equals 30½ cents Canadian)

Hongkong, May 26, 1937.—The figures for Hongkong's trade for the first quarter of 1937 show a considerable improvement over those recorded for the corresponding period of 1936, the combined declared values of imports of merchandise into and exports from Hongkong amounting to \$237,390,000 as compared with \$174,170,000—an increase of 36·3 per cent. Imports were recorded to a value of \$131,701,000 as against \$98,192,000, an increase of 34·1 per cent; and exports totalled \$105,689,000 as compared with \$75,979,000, an increase of 39·1 per cent.

### EFFECTS OF EXCHANGE

In the report on the trade of Hongkong for the first quarter of 1936 (see *Commercial Intelligence Journal* No. 1691: June 27, 1936), mention was made of the possible favourable influences of a semi-stabilized exchange, and it is felt that the optimism expressed at that time has been fully justified by the general trading conditions during the period under review. Business is on a sounder basis than it has been for a number of years, and prices have had ample time to adjust themselves to normal levels. The anxiety of violent exchange movements, which have tended to divert the attention of bona fide traders into speculative channels, has been removed, and orders have been forthcoming as the result of a genuine demand from the consuming centres.

The benefits to South China are now more apparent, and as a result of low exchange, world export markets which were closed when a high level of exchange ruled, have once more become accessible to her exports. The improved conditions in South China must of necessity be reflected favourably upon Hongkong, and it is felt in business circles that Hongkong is now emerging from a long period of depression.

### IMPORT TRADE OF HONGKONG

All principal countries contributing to the import trade of Hongkong during the first quarter of 1937, with the exception of the United States, enjoyed increases by value when compared with their respective shares for the corresponding period of 1936. On the basis of percentages the shares of China, Japan, Netherlands East Indies, Siam, India, Australia, Belgium, and Canada increased; those of the United Kingdom, the United States, Siam, and Germany decreased.

#### IMPORTS BY COUNTRIES

The values of imports from principal countries during the first quarter of 1937, the figures for the corresponding period of 1936 being given within parentheses, were (values in Hongkong dollars):—

China, \$44,557,993 (\$32,785,349); Japan, \$16,383,853 (\$12,033,339); Netherlands East Indies, \$12,254,388 (\$7,777,883); United Kingdom, \$8,246,948 (\$6,438,817); United States, \$6,711,289 (\$9,314,685); French Indo-China, \$7,889,512 (\$4,964,888); Siam, \$8,456,748 (\$6,336,928); Germany, \$6,611,220 (\$5,174,068); Malaya, \$2,118,258 (\$1,958,816); India, \$1,700,784 (\$1,033,638); Australia, \$3,345,507 (\$1,462,740); Belgium, \$1,948,788 (\$1,325,697); and Canada, \$1,591,164 (\$681,651).

#### IMPORTS BY COMMODITIES

The following are the total values of imports for the period under review by main groups, figures for the first quarter of 1936 being given within parentheses:—

Foodstuffs and provisions, \$35,648,315 (\$24,851,056); piece-goods and textiles, \$17,671,225 (\$13,154,664); oils and fats, \$13,439,377 (\$10,978,926); metals, \$13,373,720 (\$8,852,905);



Chinese medicines, \$5,362,728 (\$3,790,399); fuels, \$3,327,248 (\$2,776,361); paper and paperware, \$2,978,661 (\$3,478,929); hides, \$2,918,056 (\$1,064,960); live animals, \$2,138,762 (\$1,905,251); chemicals and drugs, \$2,116,511 (\$1,175,484); machinery and engines, \$2,037,828 (\$2,189,711); nuts and seeds, \$1,796,722 (\$1,482,097); building materials, \$1,763,950 (\$1,501,449); manures, \$1,683,874 (\$1,645,268); hardware, \$1,674,694 (\$750,467); minerals and ores, \$1,538,758 (\$302,878); tobacco, \$1,513,498 (\$1,582,395); dyeing and tanning materials, \$1,503,416 (\$1,324,116); vehicles, \$1,237,106 (\$1,561,099); bags, \$1,123,824 (\$872,188); all kinds of leather, \$982,551 (\$694,632); liquor, \$966,610 (\$855,536); wearing apparel, \$836,701 (\$800,749); paints, \$668,661 (\$470,928); electric apparatus, \$597,880 (\$485,746); matches and match-making materials, \$272,305 (\$221,941); railway materials, \$17,788 (\$47,496); and sundries, \$12,710,863 (\$8,373,816).

## EXPORT TRADE OF HONGKONG

### EXPORTS BY COUNTRIES

The value of exports by principal countries during the first quarter of this year, the figures for the corresponding period of 1936 being given within parentheses, were:—

China, \$41,088,693 (\$31,157,704); United States, \$10,324,417 (\$656,327); British Malaya, \$8,468,640 (\$5,725,720); French Indo-China, \$5,492,795 (\$3,844,603); Siam, \$3,973,446 (\$3,456,199); Japan, \$6,837,296 (\$3,372,845); United Kingdom, \$5,733,738 (\$3,305,614); Netherlands East Indies, \$2,645,863 (\$1,593,545); India, \$1,217,951 (\$929,125); Canada, \$905,202 (\$629,843); Australia, \$626,476 (\$381,590); Belgium, \$322,497 (\$653,673).

### EXPORTS BY COMMODITIES

The following are the total values of exports for the period under review by main groups, figures for the corresponding period of 1936 being given within parentheses:—

Foodstuffs and provisions, \$27,318,016 (\$20,202,452); oils and fats, \$13,550,514 (\$7,046,839); metals, \$11,817,828 (\$8,625,561); piece-goods and textiles, \$10,242,550 (\$8,178,474); wearing apparel, \$4,310,791 (\$2,193,961); Chinese medicines, \$4,094,349 (\$3,188,737); vehicles, \$2,374,995 (\$455,989); paper and paperware, \$2,295,387 (\$1,758,988); electric apparatus, \$2,034,129 (\$969,707); minerals and ores, \$2,018,707 (\$1,661,916); manures, \$1,869,301 (\$1,399,550); all kinds of hides, \$1,833,799 (\$861,757); hardware, \$1,468,927 (\$576,330); dyeing and tanning materials, \$1,317,524 (\$894,870); building materials, \$1,250,383 (\$774,532); nuts and seeds, \$1,206,084 (\$912,488); tobacco, \$1,155,373 (\$1,295,693); bags, \$1,058,915 (\$1,082,393); chemicals and drugs, \$1,042,965 (\$802,030); machinery and engines, \$984,174 (\$3,079,969); paints, \$362,928 (\$367,313); matches and matchmaking materials, \$302,144 (\$181,339); all kinds of leather, \$265,788 (\$133,385); liquor, \$257,369 (\$261,015); fuels, \$173,285 (\$75,531); live animals, \$41,225 (\$31,013); railway materials, \$27,564 (\$817,519); all other sundries, \$11,014,549 (\$7,760,469).

### IMPORTS FROM CANADA

Imports from Canada during the quarter under review amounted to \$1,591,164 as against \$681,651 for the corresponding period of 1936, an increase of \$909,513, or 133 per cent.

The following table (values in Hongkong dollars) gives principal imports from Canada for the first quarters of 1937 and 1936:—

	1937	1936
Wheat flour . . . . .	\$492,834	\$236,658
Fish and fishery products . . . . .	251,897	60,142
Motor cars . . . . .	156,173	48,588
Printing paper . . . . .	135,443	83,194
American pine . . . . .	68,267	35,876
Printing and litho. materials . . . . .	59,154	.....
Rubber tires . . . . .	52,350	.....
Live animals . . . . .	52,272	.....
Fruits . . . . .	38,360	210
Timber . . . . .	32,767	10,938
Pig lead . . . . .	29,938	4,169
Motor lorries chassis . . . . .	28,867	8,124
Manures . . . . .	25,146	12,210
Condensed milk . . . . .	22,962	22,093
Fodder . . . . .	19,340	23,190
Staves . . . . .	13,930	2,063

*Imports from Canada—Concluded*

	1937	1936
Dried fruits . . . . .	8,230	.....
Dried milk . . . . .	3,000	.....
Wearing apparel . . . . .	6,098	239
Zinc spelter . . . . .	7,600	.....
Miscellaneous foodstuffs . . . . .	6,113	.....
Canned meat and fish . . . . .	5,657	2,167
Upper leather . . . . .	5,100	9,657
Canned vegetables . . . . .	5,073	2,190
Agar agar . . . . .	4,638	2,607
Paints . . . . .	4,092	.....
Vermicelli . . . . .	4,074	1,628
Musical instruments . . . . .	3,852	.....
Coffee . . . . .	3,720	.....
Fresh fish . . . . .	3,058	3,315

From the above it will be seen that substantial gains were recorded in the case of practically all commodities, and while increases in certain items may be attributed to the incidence of the United States shipping strike as a result of which orders usually placed in that country were diverted to Canada, it is evident from an examination of the composition of Canadian trade to this territory, that increased business is being secured in diversified lines.

**WHEAT SITUATION IN FRANCE**

J. P. MANION, ASSISTANT COMMERCIAL ATTACHÉ

Paris, June 16, 1937.—During the three months, September to November, 1936, there were no imports of foreign wheat into France because the newly-instituted National Wheat Office had not yet decided on the method of administering import regulations. Imports in December, after the restrictions became known, were still below normal, due presumably to the fact that wheat ordered was still in transit.

It was natural to suppose that imports during the early months of 1937 would greatly increase owing to pent-up demand. Early figures also gave this impression, since preliminary statistics showed that the value of imports from Canada in terms of francs has nearly doubled during the first four months of the year, and that no other product could account for the increase.

**EFFECT OF RISE IN PRICE**

Complete statistics are now to hand, however, for the first three months of the year, which show that, although the value of the imports from Canada increased from 39,553,000 francs to 82,869,000 francs, the whole of this increase was taken up by the rise in price, since the volume of imports remained the same.

With an equal volume, the statistical position of Canada none the less improved, due to lack of supplies in the North African colonies.

*Imports of Wheat Into France*

	Jan.-Mar., 1937	Jan.-Mar., 1936
	Bushels	Bushels
Total . . . . .	4,605,925	6,532,484
Canada . . . . .	2,399,322	2,322,076
North Africa . . . . .	1,961,154	4,112,652
Argentina . . . . .	159,849	26,319
United States . . . . .	44,386	.....
Iraq . . . . .	12,808	10,567
Other countries . . . . .	28,406	60,870



This table shows that while Canada's share in the total imports in the first three months of 1936 was 35.54 per cent, it increased to 52.09 per cent in the corresponding period in 1937.

Since French crops up to the season 1935-36 had been very heavy, large stocks had accumulated. In 1936 part of these stocks were liquidated by sales abroad, and for the first quarter total exports had been about 8,500,000 bushels, or more than total imports. In 1937, however, total exports for the first quarter amounted to approximately 2,600,000 bushels of wheat or its derivatives. Since the law calls for exports equivalent to the amount of wheat to be imported from foreign countries, it will be seen that the above quantity almost exactly covers imports from countries other than the colonies.

The statistical position does not wholly reveal the situation. Since France had a short crop in 1936—about 268,000,000 bushels, to cover home requirements of about 310,000,000 bushels—it should be expected that imports be higher during the present season. The Army Commissariat contracted on December 15, 1936, to purchase up to 150,000 metric tons—about 6,000,000 bushels—of wheat from Yugoslavia for "security stocks."

### CROP PROSPECTS

As far as the prospects of this year's French crop are concerned, the Minister of Agriculture a few days ago suggested that the prospects now were for a crop 10 per cent higher than that of last year, or of approximately 74,000,000 quintals. This would about cover estimated yearly consumption.

Morocco is suffering from drought this year, and its deliveries to France are estimated at not more than 70,000 tons. Algerian and Tunisian crops are turning out well, and exports of 90,000 tons in the first case and 50,000 tons in the second are expected.

### DURUM

The durum wheat situation is causing some anxiety. Because of the artificial price structure in France and its colonies, durum wheat is held at about the same level as wheat for flour. But although normal demand in France is for 240,000 tons a year, the high price has caused consumers of cheap alimentary pastes to turn to rice, potatoes and other vegetables, thus lowering consumption to an estimated 150,000 tons. On the other hand, producers, attracted by high prices, have expanded production. The Algerian crop may be as high as 550,000 tons of durum wheat, with 280,000 tons available for export, and Tunis may have 40,000 tons for export. These figures suggest that as much as 170,000 tons of durum wheat will have to find a market in countries other than France, which may cause some disturbance in the 1937-38 market for Canadian amber durum.

## PRELIMINARY CROP REPORTS FOR NORWAY AND SWEDEN

RICHARD GREW, CANADIAN TRADE COMMISSIONER

### Norway

Oslo, June 16, 1937.—According to the initial report of the Director of the Norwegian Department of Agriculture, crop prospects at the end of May are, on the whole, described as being very promising. The pasture fields and winter crops have both wintered extremely well, although in certain northern districts there has not been enough snow to prevent the autumn wheat and clover from suffering a certain amount of damage from frost. The cultivated grasslands have had a good start and are already in use, while the natural pasture fields also appear to develop earlier this year than usual. The blossoming of the fruit



trees has been exceptionally abundant throughout the country, except in the case of the plum trees, which have blossomed somewhat unevenly. At present the fruit crop prospects are reported to be very promising.

### Sweden

The preliminary crop report issued by the Swedish Central Bureau of Statistics at the end of May states that during April and May the weather conditions were exceptionally favourable in most parts of the country, with abundant rainfall and high temperature. The autumn wheat is reported to have wintered very satisfactorily, while the autumn rye has been damaged to some extent by frost. The crop prospects for autumn-sown wheat, based on the average for the whole country, are described as "somewhat above medium," and for autumn-sown rye as "medium."

The pasture lands are described as being very promising as a result of the warm, wet weather experienced during the spring months, this applying to both cultivated and natural fields. The crop prospects for pasture lands for the whole country are reported to be "well above medium" or even "good."

## GREECE IN 1936

HENRI TURCOT, CANADIAN TRADE COMMISSIONER

Cairo, June 11, 1937.—The following embodies in a summarized form the views presented in a report recently issued by the Bank of Greece with respect to the economic situation in Greece in 1936.

### AGRICULTURE

According to the provisional calculations of the General Statistical Service of the Greek Government, the total cultivated area in Greece amounted to 5,648,250 acres in 1936 against 5,477,500 acres in 1935, 3,975,500 acres in 1928, and 3,339,000 acres in 1914. In 1936, 71 per cent of the cultivated area was devoted to the growing of cereals, 5 per cent to the cultivation of tobacco, 2·5 per cent to cotton, and 5·2 per cent to pulse, etc.

### WHEAT

The crop of wheat is estimated at 630,000 tons in 1936—that is, 102,000 tons less than in 1935, despite the fact that the area sown was larger by 35,750 acres; the decline was due to unfavourable weather. The domestic harvest covered 58·2 per cent of the country's requirements, as compared with 62·5 per cent in 1935, and 39·4 per cent in 1928. The value of the wheat imported into Greece in 1936 was greater than that of the preceding year by 35·5 per cent, this being accounted for by both larger imports and higher prices

### TOBACCO

The area devoted to the cultivation of tobacco during the past year was equal to 284,000 acres against 214,500 acres in 1935, an increase—the largest within the past decade—of about 33 per cent, while the yield amounted to 77,000 tons compared with 45,000 tons, an advance of approximately 71 per cent. On the other hand, exports have decreased; they totalled 39,954 tons against 50,430 tons in 1935, a decline of 20·8 per cent, these showing, however, as a result of higher prices, a recession of only 4·8 per cent in value. In 1936 exports of tobacco represented 46·1 per cent of the country's total exports, as compared with 50·2 per cent in 1935.

## INDUSTRY

The industrial production of the country fell to lower levels in 1936. During the first eleven months of the year, the weighted index of industrial production in quantities (base year, 1928=100) was 141.01 against 144.23 for the corresponding period of 1935. The only industries which formed an exception to the more or less general decline were the spinning and weaving industries (+12.86 per cent), the tobacco industries (+3.20 per cent), the chemical industries (+5.07 per cent), and the industries producing electrical power (+11.20 per cent). As regards value, industrial production, owing to rise in prices, has shown an increase of 6.6 per cent.

During the first eleven months of 1936, imports of raw materials for industrial purposes, as compared with the corresponding period of 1935, decreased in quantity by 11.18 per cent, while as a result of higher international prices they indicated a rise of 3.98 per cent in value. On the other hand, there was an advance in imports of manufactured goods, the index of which disclosed a rise of 5.54 per cent, as well as a decrease in exports of home industrial products, whose index fell by 15.93 per cent.

The number of new factories opened during the past year amounted to 124, against 113 in 1935, which, however, represented a greater capacity of motive power. Of the factories opened in 1936, 77 produce articles of subsistence, and 14 are machine factories.

## EXTERNAL TRADE

The deficit in Greece's balance of trade in 1936 as compared with 1935 increased by 857 million drachmae (110 drachmae are equal to about \$1). Imports have advanced by 1,127 million drachmae, and exports by only 270 million drachmae. It follows that the rise in the deficit of the trade balance is due solely to larger imports. The deficit of 1936 is the greatest since 1933; the ratio of exports to imports, which stood at 57.8 per cent in 1932, advanced gradually to reach 66 per cent in 1935, but fell to 62 per cent in 1936.

## PRICE SITUATION

The prices of wheat and flour imported in 1936 were 30.5 per cent higher than those of 1935, as results by comparing the average prices per ton during 1935 and 1936, calculated on the basis of data appearing in the *Bulletin of the Special Commerce of Greece*. The average prices of raw materials imported in 1936 for the requirements of industry, calculated in the same manner as above, were higher by 17.8 per cent. In the case of other articles, the rise was considerably smaller, varying between 4 and 8 per cent.

Horticultural products (tobacco, currants, figs, etc.) formed 69.6 per cent of the total value of exports effected in 1936, against 70 per cent in 1935. The average price per ton of the tobacco exported in 1936 was 13.5 per cent higher than that of 1935. In spite of this, the average price per ton at which Greek horticultural products were sold was, on the whole, 7 per cent lower than that of 1935. On the other hand, an increase in value was observed in the case of the following exports: mineral products (+150 million drachmae), their prices having risen by 38.8 per cent; hides (+200 million drachmae), with prices 12 per cent higher; and yarns and carpets (+29 million drachmae), prices having advanced by 12.6 per cent. Prices of exported olive oil and olives have risen considerably, but, as regards quantity, olive oil shipments abroad were below those of 1935.

## BALANCE OF TRADE

The deficit in the balance of trade with the countries with which Greece is not connected with clearing agreements (including Russia) increased by about



777 million drachmae, the greater deficits being noticed in the case of Great Britain (990 million drachmae), Canada (665 million drachmae), Russia (486 million drachmae), and Argentina (205 million drachmae). And with the countries with which Greece is connected with clearing agreements (not including Russia) the deficit has augmented by approximately 80 million drachmae, the chief increases concerning exchanges with Germany (107 million drachmae), Sweden (116 million drachmae), Yugoslavia (237 million drachmae), and Hungary (117 million drachmae). The relation of exports to imports with respect to the first group of countries was 47·6 per cent in 1936 against 56·4 per cent in 1935, the ratio in connection with the second group being 77 per cent in 1936 and 76·2 per cent in 1935.

#### CLEARINGS

At the close of 1936 Greece had concluded official clearings of various types—integral, partial and statistical—with the same seventeen countries as in the previous year; integral clearings with Austria, Sweden, France, Czechoslovakia, Germany, Switzerland, Hungary, Norway, Albania, Belgium, Poland, Finland, and Italy; and partial clearings with Yugoslavia, Turkey, Roumania, and Russia. But also with most of the countries with which Greece has an adverse balance of trade—Canada is included in this group—clearings, compulsory or optional, were applied unilaterally, so that the only countries with which Greek commercial transactions are still governed by the old system are Great Britain, the United States, Holland, and Egypt.

The position, as at December 31, 1936, of fifteen of the more important accounts of official clearings was as follows: three accounts showed an active balance in favour of Greece amounting to 24,521,000 gold francs, of which the greater part—23,160,249 gold francs—represented the active balance of the clearing with Germany. (At the end of 1935, the total active balances in favour of Greece amounted to 29,901,746 gold francs, of which 27,018,754 gold francs stood for the active balance of the clearing with Germany.) The remaining twelve accounts left a passive balance of a total of 24,391,409 gold francs, of which 3,962,384 gold francs in blocked drachmae, 1,183,739 gold francs in promissory notes or compensation certificates (*Bons de Caisse*) in circulation, 2,612,963 gold francs in devisen of triangular clearings, and 16,324,624 gold francs in foreign exchange. (At the end of 1935 the total amount of Greece's passive balance from clearings was 37,000,958 gold francs.) Thus, the general balance of the fifteen more important accounts of official clearings, which was passive in 1935, became active in 1936. Whereas on December 31, 1935, these accounts indicated a passive balance of 7,099,212 gold francs, on December 31, 1936, they disclosed an active balance of 129,671 gold francs.

During 1936 no further clearing agreements were added to those which existed at the end of 1935. In order, however, to renew or modify the old clearing agreements, new agreements were concluded with the following countries, taken in order of chronological priority: Sweden, Russia, Hungary, Roumania, Yugoslavia, Czechoslovakia, Italy, and Germany.

#### RAILWAYS AND SHIPPING

The movement of railways displayed a perceptible increase both as regards passengers and goods. The competition of motor-car transport, however, influenced receipts.

The total number of ships carrying the Greek flag amounted to 605 with a tonnage of 1,794,429 tons in 1936, as compared with 629 representing a tonnage of 1,878,760 tons in 1935. Despite this recession, the international position of Greece, on the basis of the relation between the tonnage of her mercantile marine on the one hand, and her population on the other, which secured for her the fourth place in 1935, was maintained throughout 1936. The gross income



increased from £7,749,072 in 1935 to £8,823,347 in 1936. The foreign exchange which flowed into the country from shipping is calculated at £1,750,000 in 1936 against £1,500,000 in 1935. The movement of goods and passengers increased and there was a decline in the number of ships lying idle.

#### ATHENS STOCK EXCHANGE AND INDEX OF ECONOMIC ACTIVITY

The economic activity of the country has, on the whole, witnessed a certain setback. This is reflected in the index of the prices of securities of variable income in the Athens Stock Exchange, and in the index showing the general economic activity of the country. Up to July, the movement of the former index displayed a downward trend, the average rate for the year being 51.74 (basis, 1928=100) as compared with 56.61 in 1935. The average rate of the latter index went down from 113.1 (basis, 1928=100) in 1935 to 103.8 in 1936. A slight improvement in the general activity of the country, however, was evident towards the end of the year.

#### GREEK BANKS AND DISCOUNT RATE

The decline observed in Greece's economic activity in 1936 was also reflected in the movement of the money market. In 1935, the combined decrease of deposits and increase of credits of the big commercial banks provoked a decrease in their available funds and an increase in their discount rate. During 1936, sight and savings deposits of the big commercial banks stood on the same level as in 1935. These deposits amounted to 10,463 million drachmae in December, 1935, and they remained upon that level, with few fluctuations, during the first ten months of 1936; in November, however, they rose to 10,863 million drachmae. Discounts and short-term advances of the same banks have shown a similar relative stability; in December, 1935, they amounted to 8,238 million drachmae against 7,942 million drachmae in November, 1936.

The available funds of the big commercial banks in 1936, amounting to 1,165 million drachmae (October), were sensibly at the same level as in December, 1935, when they stood at 1,153 million drachmae. In November, 1936, these funds passed to 1,478 million drachmae.

The discount rate of the big commercial banks varied between 8 and 8½ per cent in 1936, while the official discount rate remained at 7 per cent throughout the year.

#### CURRENCY AND CREDIT

The evolution of Greece's fiduciary circulation during the year ended followed a normal course.

The maximum point (6,203 million drachmae) in the note circulation was nearly the same as that reached in the preceding year (6,215 million drachmae), and the minimum point (5,396 million drachmae) did not differ substantially from that of 1935 (5,221 million drachmae).

Parallel to this movement, the credits granted by the Bank of Greece in 1936 displayed greater stability than in 1935 and were kept within narrower limits. Thus, whereas in 1935 these credits fluctuated between 1,144 and 1,726 million drachmae, during 1936 this fluctuation was restricted between 1,264 and 1,563 million drachmae. This decrease in the level of the credits granted by the Bank of Greece was due to the greater capacity developed by the commercial banks to serve the requirements of business transactions, a fact which is also proved by the advance noticed in the deposits of these banks with the Bank of Greece.

#### PUBLIC FINANCES

The financial situation during 1936—in the course of which the financial year 1935-36 closed and the 1936-37 budget was partly executed—was very satisfactory, particularly as concerns the yield of public revenues.

It is anticipated that the budget of the financial year 1935-36, account being taken of the movement of the outstanding active and passive balances, will close with a deficit not exceeding 50 million drachmae, which will be covered by the surpluses of previous financial years. Originally, it was estimated that the 1935-36 budget would leave a deficit of 537 million drachmae; the change which has occurred in the meantime is due to an improvement in the actual receipts of the State, and also to the unutilized active balances of certain voted credits.

The execution of the 1936-37 budget justifies the hope that the originally estimated deficit will be reduced substantially.

In the course of 1936 every possible effort was exerted in order to fix the service of the external public debt within the limits of the country's economic capacity. To this end, an agreement was entered into between the Hellenic Government and the representatives of foreign bondholders, according to which 40 per cent was paid on the interest of external loans for the two financial years 1936-37 and 1935-36.

## ECONOMIC CONDITIONS IN PANAMA IN 1936

R. A. CAMERON, ASSISTANT TRADE COMMISSIONER

### I. Imports and Exports

(The unit of currency quoted is the balboa, which is on a par with the United States dollar. Comparative 1935 figures are shown within parentheses)

Panama City, R.P., June 16, 1937.—General business conditions in Panama continued to improve in 1936. In spite of the unsettling effect of a domestic election campaign and the slowing up of canal business toward the end of the year, due to the shipping strike in the United States, foreign trade increased and the volume of tourist traffic, upon which the prosperity of the Isthmus is so dependent, was well maintained. Building trades were particularly active, and the credit situation remained satisfactory.

### TRADE

Imports into Panama during 1936 were valued at \$19,088,761 (\$15,445,474), and exports at \$3,992,277 (\$3,992,648). Re-exports amounted to \$3,400,773 (\$1,562,156). The excess of imports over exports is a normal condition in the trade of Panama, the balance of payments being equalized by the proceeds derived from the tourist traffic and from residents of the Canal Zone.

### IMPORTS

Panama statistics record imports from Canada in 1936 as being valued at \$105,621, compared with \$129,798 in 1935. The following table shows the sources of imports in 1936, together with the percentage of the total imports which each supplying country enjoyed:—

Country of Origin	Value of Imports	Per Cent
Total.....	\$19,088,761	100.00
United States.....	9,777,774	51.20
Japan.....	2,986,536	15.60
United Kingdom.....	1,165,425	6.00
Germany.....	823,778	4.30
France.....	739,457	3.80
China.....	728,041	3.30
Cuba.....	156,288	0.80
Spain.....	131,681	0.70
Canada.....	105,621	0.55
Others.....	2,474,160	13.75



It is difficult to estimate the actual value of Canadian goods imported into Panama, as those passing through United States ports are recorded as being of American origin. Canadian statistics, however, record exports to Panama in 1936 as valued at \$341,600.

The effect of the so-called "free trade" policy adopted during 1935, permitting free entry into Panama of articles likely to be of interest to tourists and transients, became more pronounced in 1936. Japan's share of the total imports, which had increased from 1 per cent in 1930 to 11.6 per cent in 1935, again increased to 15.6 per cent in 1936, while the American share, which had dropped from 61 per cent in 1930 to 53.3 per cent in 1935, fell to 51.2 per cent in 1936. The United Kingdom's share, which had decreased from 9 per cent in 1930 to 6.8 per cent in 1935, recorded a further small decrease to 6 per cent in 1936.

Owing to the nature of the trade of Panama, which caters so largely to transients, a large portion of the imports are of the "novelty" type supplied by the Orient. The United States supplied the bulk of the requirements of staples and foodstuffs. The proximity of that country to this market, the regular and excellent shipping services at the disposal of American exporters, and the advantages enjoyed through the Panama Canal as a common meeting ground, combine to give United States shippers a preferred position. Although there are no tariff preferences in the republic, preference is given to American goods in the Canal Zone, and this is often a deciding factor even when local importers buy for the domestic trade, as any surplus not sold in Panama can be offered in the Zone if the commodity is of American origin.

#### PRINCIPAL IMPORTS INTO PANAMA

The following table showing the volume of commodities of interest to Canada imported into Panama during the calendar years 1935 and 1936 indicates the nature and extent of the markets' requirements:—

Commodity	Unit	Imports 1935	Imports 1936
Cement . . . . .	Kilos	12,357,543	23,073,098
Lumber . . . . .	Board feet	7,619,943	8,155,286
Potatoes . . . . .	Kilos	2,074,000	2,586,541
Evaporated milk . . . . .	Kilos	1,507,455	1,630,672
Newsprint . . . . .	Cwts.	20,527	25,102
Butter . . . . .	Kilos	803,263	829,346
Corrugated galvanized sheets . . . . .	Kilos	429,572	1,063,479
Codfish . . . . .	Kilos	418,800	153,774
Flat galvanized iron sheets . . . . .	Kilos	395,533	354,722
Condensed milk . . . . .	Kilos	353,065	457,375
Auto tires . . . . .	Kilos	320,953	225,855
Sardines . . . . .	Kilos	241,413	539,602
Whisky . . . . .	Litres	183,591	263,177
Cheese . . . . .	Kilos	178,188	153,774
Wheat flour . . . . .	Sacks (98 lbs.)	174,632	171,711
Biscuits . . . . .	Kilos	170,007	221,504
Powdered milk . . . . .	Kilos	65,950	111,493
Canned salmon . . . . .	Kilos	61,724	201,030
Leather, all kinds . . . . .	Kilos	35,150	33,269
Silk hosiery . . . . .	Kilos	31,827	79,754
Gin . . . . .	Litres	29,696	27,930
Storage batteries . . . . .	Kilos	20,023	17,495
Cotton hosiery . . . . .	Kilos	15,313	43,358

The Panama market, though small, is attractive because of the absence of exchange control regulations or currency fluctuations. Its increasing re-export activities also add to its importance in the commerce of Central and South America. Unfortunately, the lack of direct shipping services in many cases compels Canadian exporters to ship through United States ports thereby incurring additional costs which, though not great, are often sufficient to put Canadian prices out of line.



## NOTES ON SOME OF THE IMPORTS

## FLOUR

Canada's exports of flour to Panama in 1936 totalled 8,340 barrels valued at \$39,935 as compared with 10,142 barrels valued at \$44,946 in 1935. Of Panama's total flour imports in 1936, valued at \$423,114, the bulk originated in the United States, the leading brands being "Gold Medal," "Rey del Norte," "Corazon de Oro," "Gold Rim," and "Mariposa." Local bakers do not "work" their dough to the same extent as Canadian and American bakers, and it is affirmed that the "treated" or "bromated" flours of the American mills lend themselves to the particular baking methods employed locally. The success of American flour millers in the Panama market is due to the fact that they quote lower prices than Canadian mills, and to the close and friendly contact they maintain not only with their local agent but also directly with the individual bakers.

## NEWSPRINT

For years Panama has used Canadian newsprint exclusively. Exports of newsprint from Canada to Panama in 1936 amounted to 25,102 cwts. valued at \$49,237 as compared with 20,527 cwts. valued at \$39,202 in 1935. During the year Canadian prices rose sharply, and at the end of 1936, when the contracts of the local newspapers for their 1937 requirements came up for consideration, the business was awarded to European mills.

## LUMBER

Lumber imports in 1936 were valued at \$223,006 as compared with \$178,403 in 1935. Canada's exports of lumber to Panama in 1936 were valued at \$45,647 as compared with \$72,557 in 1935. It is obvious that Canada, instead of participating in Panama's increased purchases, is losing ground. The lack of direct and regular shipping services, and to some extent probably the fact that Canadian mills are primarily interested in the more important empire markets, may account in part for the decreasing use of Canadian lumber in Panama.

## POTATOES

Normally, Panama's requirements for table potatoes are purchased from the United States or ex bond New York, although between seasons or in years of a crop shortage a few shipments are imported direct from Canada. During 1936 Canada exported 5,138 bushels of table potatoes to Panama valued at \$3,129. In view of the risk involved in shipping a perishable commodity to firms whose orders are spasmodic and only placed in cases of necessity, the business is of little interest to Canadian exporters.

On the other hand, the thriving potato growing industry in Panama relies on Canada for seed. During 1936 Canada exported to Panama approximately 3,000 bushels of certified seed, valued at about \$2,500. A portion of this was purchased by the Government of Panama for distribution among the small growers.

## EVAPORATED MILK

Panama's total imports of evaporated milk during 1936 were valued at \$630,672, the United States being the chief supplier. Canada's exports of evaporated milk to Panama in 1936 were valued at \$53,563 as compared with \$6,274 in 1935. Unfortunately this trade, which has developed so satisfactorily, will probably disappear in the course of the coming year, due to the concessions which have been granted the Nestlé Milk Corporation.

## CODFISH

Imports of codfish into Panama were valued at \$55,246 in 1936. Of this amount the United States is credited with having supplied imports valued at

\$37,865. As a matter of fact, from 75 to 80 per cent of the codfish purchased by Panama is of Canadian origin, being shipped ex bond New York. Small quantities of Norwegian codfish are purchased through the United Kingdom, but the quality of the Canadian product is preferred.

#### AUTO TIRES

The value of the imports of auto tires into Panama in 1936 is given in the Panama returns as \$130,551, with the United States supplying tires valued at \$103,834. Tires from Canada valued at \$30,030 are included in the figures credited to the United States. The United Kingdom supplied tires valued at \$9,753 and Japan to the value of \$9,753.

#### CANNED SALMON

Imports of canned salmon during 1936 were shared between Japan, the United States and Canada. Japan is credited with imports of 118,242 kilos (\$16,928), the United Kingdom with 30,817 kilos (\$10,241), and Canada with 24,000 kilos (\$5,000). "Chum" salmon from Japan is sold at extremely low prices; the Canadian and American product is confined to "pinks" and "Alaska Red."

#### WHISKY

Panama's total imports of whisky in 1936 were valued at \$263,675, of which the United Kingdom is credited with \$238,667. Imports from Canada were valued at \$20,019 as compared with \$10,619 in 1935.

#### EXPORTS

Manufacturing (and in many cases even agricultural) development is still in its infancy in Panama. It is to be expected therefore that Panama's exports should be not only small but also confined to those native products for the raising of which the republic is peculiarly suited. The value of the principal products exported during 1936 is shown below, with comparative 1935 figures:—

#### *Principal Exports from Panama*

Commodity	1936	1935
Bananas . . . . .	\$2,536,719	\$2,318,626
Cacao . . . . .	616,714	559,992
Coconuts . . . . .	110,613	117,846
Clothing . . . . .	55,184	33,892
Hides . . . . .	29,407	19,745
Mother-of-pearl . . . . .	18,815	11,599
Turtle shell . . . . .	18,383	15,198
Pearls . . . . .	14,671	13,651
Balata . . . . .	3,975	7,289
Mahogany . . . . .	3,508	1,586

Canada's purchases from Panama consisted principally of bananas. During 1936, 6,265 stems of bananas valued at \$5,934 were imported into Canada from Panama as compared with 61,901 stems valued at \$58,255 in 1935. Although the 1936 returns show a great decrease as compared with those of 1935, it should be pointed out that Canada's banana imports from Panama in previous years rarely exceeded \$5,000 in value. Needless to say, Panama's best market is the United States.

A strong effort is being made to take advantage of Panama's favourable geographical position as a distributing and transshipping centre for Central and South America. To this end in May, 1936, additional facilities were given to importers who are conducting a re-export business, and the result is seen in the increased value of the monthly returns.



## ECONOMIC CONDITIONS IN PERU

M. J. VECHSLER, CANADIAN TRADE COMMISSIONER

Lima, June 15, 1937.—The accelerated rise in wholesale prices has been the feature of conditions in Peru during the past few weeks. This rise has been of a general nature and has taken place in the majority of articles which entered into not only foodstuffs but also raw materials for industrial purposes. Those products which entered into the Peruvian export and import trade have apparently been more greatly affected than those of national production and consumption. The cost of living index also has continued to rise, principally because of the upward trend in retail foodstuff prices, rents, and certain other items entering into this index, although these other items have not been affected to as great a degree.

Although an increase has taken place in the value of the foreign trade during the first three months of this year, there has not been a corresponding increase in volume when comparison is made with the same period of 1936. In fact, there has been a fall in the volume of imports and exports during the first two months of the present year, which amounted to about 4 per cent as compared with the same period in 1936, whereas there has been an increase in value which amounted to practically 3 per cent. Banking and commercial activity has remained relatively the same, although a slight decline occurred in March in the volume of credits in circulation by the Central Reserve Bank.

### COMMERCIAL BALANCE

The commercial balance of Peru has always been favourable. The principal source of income is derived from export industries, upon which basis its economic structure essentially rests. Even during years of depression such balances have remained favourable, imports having contracted along with exports and, under more favourable world conditions, such imports have tended to expand coincident with increased exports. Hence, almost regardless of periods of prosperity or of crisis, a favourable commercial balance remains. Peru, being a debtor nation, has had to have this balance in order to cover financial obligations abroad.

### WHOLESALE PRICES

During the past year a marked increase has been shown in the wholesale price index. Not only has this increase occurred in the price of foodstuffs but in other materials as well. It is significant to note that this index for Peru, in March of this year, reached its highest level since 1926 (1930 = 100), when it was at 204. This compares with 191.2 in March, 1936, 188.8 in 1935, 188 in 1934, 180.2 in 1933, and 170.2 in 1932. The index for foodstuffs has risen from 163 in 1932 to 186 in March, 1937. Textiles have risen from 109 in 1932 to 251 in 1937, metals from 198 to 274, and miscellaneous items from 169 to 190. Further increases have recently occurred in meats and lard as well as in rice flour, rice, barley, beans, and potatoes. Corn solely has declined among the foodstuffs. Increases have also taken place in sugar (white), cacao, liquors, and native wines. The price of tea, however, has fallen. In the group of manufactured and semi-manufactured goods there has been a rise of 7.9 points. The price of coal has increased, but there has been a slight fall in that of coke. Cotton and woollen textiles have risen sharply, as have steel, lead, and zinc, and, to a lesser degree, iron in bars and sheets.

The cost of living index has similarly risen from a low of 147.2 in 1933 to 167.3 in March, 1937.



## SILK PRODUCTION AND TRADE OF JAPAN

P. V. McLANE, CANADIAN TRADE COMMISSIONER

(For purposes of comparison, the average rate of the yen in 1934 was 29.575 cents; in 1935 and 1936, 29 cents Canadian funds)

Kobe, Japan, June 8, 1937.—Raw silk, of which Japan is responsible for upwards of 70 per cent of the world's output, plays an important part in the economy of the country, providing as it does a lucrative sideline to the farming class and accounting for about 15 per cent of the export trade.

From the tiny egg is hatched the silkworm which grows rapidly on a diet of mulberry leaves. When the worm reaches maturity it spins a chrysalis which is the product of commerce. A few are allowed to emerge into moths to provide eggs for the next cycle. The bulk of the worms are killed within the cocoons by steam or heat. Sericulture therefore divides itself roughly into the following divisions: growing of mulberry trees, raising the silkworm eggs, producing the cocoons, and reeling the silk. Buying, selling, and speculation form part of each process and play a very important part in the final disposal of the raw silk.

### MULBERRY GROWING

In 1935 mulberry farms occupied an area of 1,526,786 acres as compared with 1,427,131 acres in the previous year. The areas have declined considerably since 1931. Part of the decline has been due to storms, floods, and other disasters. The largest factor was, however, the decline in price of cocoons, which forced farmers to do without fertilizer for year after year. During the last two years the Government has granted subsidies to encourage farmers to tear up worn-out mulberry fields and plant them to other crops. There are many varieties of mulberry trees, ten of which are extensively cultivated. The leaves of the mulberry trees provide food for the silkworms.

### SILKWORM EGGS

The production of silkworm eggs tends to become very specialized, corporations and co-operative societies each year assuming greater control over output. The Government maintains a close control over their production in order to ensure that the best strain of disease-free eggs is available to the industry. Artificial means of breeding have been discovered, as well as a method of delaying the emergence of the moth from the cocoon. This has made possible the full utilization of the mulberry leaves. One result has been the reduction in the percentage output of spring cocoons, and an increase in summer-autumn production.

### COCOON TRADE

A total of 1,894,647 individuals were engaged in silkworm cocoon production in 1935 as compared with 1,995,492 during the previous year. The output of cocoons amounted to 6,784,556 cwts.—3,652,114 cwts. of spring crop and 3,132,442 cwts. of summer-autumn crop. There was a decrease in 1936, the spring cocoon crop amounting to 3,421,958 cwts., the summer-autumn crop being estimated at 3,165,262 cwts. The total of 6,587,220 cwts. may be an under-estimate, and final figures may be larger. There was a sharp advance in the price of spring cocoons, and although the price received for summer-autumn cocoons was less, the total revenue to the producers was estimated at 372,243,000 yen in 1936, a considerable advance over the takings for the previous year (350,860,000 yen). These earnings were exceeded only in the case of rice production, which in 1936 had an estimated value to the farming class of 1,044,700,000 yen.

## METHODS OF BUSINESS IN COCOON TRADE

Cocoons are sold either in the raw state or after the worms within the cocoons have been killed and dried. Business in raw cocoons usually exceeds that in dry cocoons. Raw cocoons are sold both spot and forward. Spot sales are made on the market, at the producer's residence, at the reeling mills, or at the offices of reelers and wholesalers. Silk raisers also sell their cocoons on joint account and on special contracts with silk reelers.

Business in raw cocoons is speculative as it has to be completed before the moth emerges to spoil the cocoon. Dried cocoons which can be kept until wanted by the reelers usually command a better price. A system of cocoon inspection has been set up to facilitate sales. Warehouse companies not only store the cocoons, but also make loans against cocoons held in custody and assist in marketing them. Government inspection offices are to be found in most of the silk centres, where the cocoons, both raw and dried, can be accurately inspected and graded.

## SILK REELING

Formerly a home occupation, silk reeling tends to become a large-scale operation. Hand reeling is still done, but most of the raw silk for export is made in the filatures which use machinery.

The initial process in silk reeling is to boil the cocoons. The basins used for this purpose are uniform in size, the extent of the factory or filature being judged by the number of basins in use. After boiling, the ends of the cocoons are picked up, usually by hand. The ends are joined together, a manual application, and reeled into spools. The number of filatures is decreasing; the number of reeling basins in each filature, however, is increasing. There were 45,703 silk-reeling establishments in 1935, a decrease of 10.7 per cent as compared with the previous year. Filatures used to be located near the silk-weaving centres, but the present tendency is to locate them in the districts where cocoons are more readily available.

## RAW SILK PRODUCTION

There were 961,430 cwts. of raw silk valued at 499,767,191 yen produced in 1935 as compared with 997,443 cwts. valued at 398,369,167 yen in the previous year. Figures are not available for 1936. Usually the production figures are given for the silk year June to May. Reeling from spring cocoons commences normally in June or July and continues until December. Summer-autumn cocoons are reeled from January to May. Based on final estimates of the summer-autumn output of cocoons, the *Oriental Economist* estimates the output for the silk year 1936-37 at 685,000 bales, of 132 pounds each, as against an estimated yield of 660,000 bales during the 1935-36 season.

The disposition of the 1935-36 output of raw silk, according to the same authority, including imports of 21,800 bales from Korea, was approximately 196,640 bales to domestic weavers, the balance of approximately 485,160 bales being available for export. On a similar basis of calculation, there should be approximately 517,000 bales available for export during 1936-37.

## MEDIUMS FOR HOME AND EXPORT TRADE

There are two divisions of the silk trade of Japan, domestic and export. The chief mediums for the home trade are the commission merchants and brokers with provincial inspection offices and other facilities. The domestic broker conducts his trade in the weaving centres, either buying for his own account or on a commission basis.

The principal mediums in the export trade are export commission merchants, exporters, and the silk exchanges, with the conditioning houses and warehouses as additional facilities. The silk reelers usually consign their silk to the



export commission merchant who sells to the exporter. The exporter, who may also buy direct from the reelers, purchases raw silk against definite orders.

#### PACKING AND INSPECTION FOR EXPORT

Raw silk for the export trade is packed in bales of 132 pounds each, ten bales to a lot, and forwarded to export commission merchants in Yokohama or Kobe, the two export silk centres. The silk is then inspected by the Yokohama Silk Conditioning House or the Kobe Silk Conditioning House, both of which are under the jurisdiction of the Ministry of Agriculture and Forestry. After being tested, a certificate of quality is issued, this certificate being final. Silk not up to export standard is retained for domestic use.

#### DIVISION OF EXPORT TRANSACTIONS

Export business is divided into spot, forward, and direct transactions. In spot transactions, the export commission merchant makes daily offers to the exporter, who pays cash against the conditioning house certificate.

Forward transactions specify a future delivery date. Prices may be fixed between the export commission and broker and the exporter at the time the contract is made, or at a later date. There are two raw silk exchanges in Japan, one in Yokohama and one in Kobe. The number of brokers trading on these exchanges is fixed by law. In the Yokohama Exchange, the brokers meet four times a day, except Saturday afternoon and other fixed days and holidays. In the Kobe Exchange there are only three calls a day.

Deliveries extend over a period of six months, the standard of transactions being silk of 14 deniers, grade D. The unit of transaction is one bale of 132 pounds; the unit of delivery is 10 bales.

In direct trade, the reelers consign their silk direct to the exporters for sale abroad. A few reelers also export their silk directly abroad. Business done by this latter method is relatively small.

#### WASTE SILK

There is also a considerable amount of waste silk produced from defective cocoons, or waste produced in the process of reeling. Production figures are not available for the calendar year 1936. During 1935, output amounted to 328,282 cwts. valued at 22,498,088 yen, as compared with 331,875 cwts. valued at 19,045,698 yen in 1934. In addition, there was an output of dupion silk valued at 12,018,000 yen in 1935 and 11,638,425 yen in 1934. This silk is spun from double cocoons. Waste silk is sold on a basis of conditioned weight tests.

#### EXPORT TRADE

Raw silk, which is Japan's largest single export item, accounting for about 15 per cent of Japan's export trade, amounted to 503,382 bales valued at 392,808,919 yen in 1936, in contrast to exports of 553,156 bales valued at 387,032,274 yen during 1935. The volume decreased, but higher prices per bale were secured. Particulars of the trade are shown in the following table:—

#### *Exports of Raw Silk to Principal Countries*

	1936		1935	
	Bales	Yen	Bales	Yen
Total . . . . .	503,382	392,808,919	553,156	387,032,274
British India . . . . .	7,281	3,871,991	13,632	5,533,509
Great Britain . . . . .	28,938	23,628,077	28,433	21,450,666
France . . . . .	27,702	21,771,878	34,792	23,764,853
United States . . . . .	427,629	333,949,199	466,576	328,910,792
Canada . . . . .	1,021	823,352	120	70,480
Australia . . . . .	6,402	5,231,027	5,081	4,232,566
Other . . . . .	4,409	3,533,395	4,522	3,069,408



The United States is the largest buyer of Japanese raw silk. Takings were smaller than during 1935. British India and France also purchased smaller amounts. A slightly larger quantity was bought by Great Britain. Canadian consignments showed a substantial increase. The bulk of the requirements of the Dominion, however, are purchased indirectly through the United States. A favourable factor in the trade was the increased buying by other consumers.

#### WASTE SILK

This item includes floss silk, dupion silk and so forth. Details of the trade are given below:—

	1936		1935		1934	
	Bales	Yen	Bales	Yen	Bales	Yen
Total . . . . .	14,826	3,163,533	12,789	2,569,343	12,824	1,822,389
Great Britain . . . . .	282	83,931	276	74,553	807	97,895
France . . . . .	999	284,368	1,782	448,518	3,348	891,661
Belgium . . . . .	1,417	171,005	1,533	176,818	20	1,010
Italy . . . . .	3,171	471,118	3,098	428,134	7,122	540,593
United States . . . . .	3,480	698,905	1,133	392,525	240	78,169
Other . . . . .	5,477	1,454,206	4,967	1,048,795	1,287	213,061

These exports were larger both in volume and value. The United States increased her purchases substantially and was the largest individual buyer.

#### PRICE

The buying and selling of raw silk is highly speculative and prices fluctuate considerably, although from day to day the range of fluctuation may be within narrow limits.

#### PRICE RANGE, 1929 TO 1936

Generally speaking, raw silk prices have shown gradual improvement during the last few years. The United States is the largest purchaser of Japanese raw silk; in the final analysis, therefore, prices are more or less set in that country. While prices have advanced in the last few years, they still remain far below those paid in pre-depression days. From a high of over 1,400 yen per bale in March and April, 1929, values fell to a low of 540 yen in October, 1930; 510 yen in May, 1931, and an all-time low of 390 yen in 1932. The average prices realized, of course, were in excess of these figures, and 1,400 yen was not realized for the entire 1929 output. The fact remains, however, that practically no raw silk was sold at less than 1,100 yen during that year. The average spot quotation for Yokohama raw silk, according to the *Oriental Economist*, amounted to 762 yen in 1933, 535 yen in 1934, 717 yen in 1935, and 767 yen in 1936. During the last year the lowest average was 686 yen during June, and the highest 870 yen during December.

Wholesale commodity prices have been advancing both in Japan and North America; the index of textile industry activity has shown signs of improvement in both countries. It is anticipated therefore that raw silk prices will be slightly higher, or at least be maintained, during the coming year.

#### FACTORS AFFECTING PRICE

Any one of the factors which influence raw silk prices, however, is capable of creating either a depressing or a favourable influence on raw silk values. Rayon has been a large factor in depressing prices from the former high level. Increased production of raw silk by China or Italy would also affect Japanese prices. Too great an expansion of cocoon production with the promise of a large raw silk production would also have a depressing effect.

## PRICE STABILIZATION

The Japanese Government is alive to the necessity of arriving at some stability in raw silk prices. Two solutions have been advanced, one to produce as much raw silk as possible and as cheaply as possible so as to compete with rayon, the other to reduce production and create a monopoly price. Neither plan has been adopted. The Government has been considering legislation with the object of stabilizing raw silk quotation, but legislation of this kind does not meet with the approval of the majority of the silk buyers. Price fixing presents a difficult problem and may prove impossible to accomplish.

**TARIFF CHANGES AND CUSTOMS REGULATIONS****Irish Free State Wheat Regulations**

Mr. James Cormack, Canadian Trade Commissioner in Dublin, advises under date June 23, 1937, that during the remainder of the cereal year 1936-37, i.e. up to August 31 next, the proportion of home-grown wheat to be milled by holders of flour-milling licences is increased from 26·5 per cent to 29 per cent.

This change is due to the fact that farmers have an unexpected surplus of unsold wheat on their hands.

As previously reported, the proportion of home-grown wheat to be used by millers for the cereal year 1937-38 has been fixed at 40 per cent.

**Australian Tariff Changes**

Mr. L. M. Cosgrave, Canadian Trade Commissioner in Sydney, cables that a new Australian tariff schedule proclaimed effective June 25, 1937, includes forty-nine decreases and seventeen increases of duties made on recommendations of the Tariff Board. Among the new British preferential rates (applicable to Canada) are the following:—

Wool tapestry for upholstery and furnishing fabrics, 5 per cent ad valorem. (New subsection, Item 105A5.)

Roof coverings in the piece, floor coverings, of felt, textile, or paper base, impregnated or laminated with bitumastic, asphaltic, tar, or pitch emulsions; dampcourse in sheets or rolls, 17½ per cent ad valorem (formerly 45 per cent). (Item 118B.)

Outboard engines, 10 per cent ad valorem. (Item 17812.)

Gypsum, free of duty (formerly 1s. 6d. per 112 pounds). (Item 234B1.)

Plaster of Paris, 6d. per 112 pounds (formerly 1s. 6d.). (Item 234B2.)

Porcelainware for electrical purposes, 20 per cent ad valorem (formerly 35 per cent). (Item 237C.)

Specified wood manufactures such as window sashes and frames, wood split pulleys, shovels, rakes, saw frames, washboards, etc., and manufactures of wood not elsewhere included in the tariff, 25 per cent ad valorem (formerly 50 per cent). (Item 303A.)

Toys, 25 per cent ad valorem (formerly 30 per cent). (Item 310B.)

Tissue paper (as described), 5s. per 112 pounds (formerly 6s. or 15 per cent ad valorem, whichever higher). (Item 334D2.)

Blotting paper, 5s. per 112 pounds (formerly 8s.). (Part of Item 334J.)

The foregoing, received by telegraph, is subject to correction.

**French Quotas on Canadian Goods**

Mr. Hercule Barré, Commercial Attaché in Paris, cables that the French quotas allotted to Canada for the third quarter of 1937 under decrees issued July 1 and July 4 are as follows in metric quintals (220·4 pounds): cheese, 240; brewing barley, 50; rolled oats, 3,000; sweetened biscuits, 3·50; lead, 1,820; insulating fibre board, 185; patent leather, 48; calf leather, 7·50; binders, 8·25; other agricultural machinery, 34½; cinematograph films, 2·90. (Information regarding quotas for the previous quarter was published in *Commercial Intelligence Journal* No. 1732: April 10, 1937, page 585.)



## **Regulations Governing the Importation into Switzerland of Fresh Apples**

Writing under date June 16, 1937, Mr. W. G. Stark, Acting Trade Commissioner in Rotterdam, states that according to a federal decree of June 5, 1937, effective September 1, 1937, all shipments into Switzerland of fresh apples must be accompanied by a certificate of the Phytopathological Service in the country of origin. This certificate, which must be made out or translated into German, French, or Italian, must state that the shipment in question is free from San José pest and other parasites or diseases.

Details are on file with the Department of Trade and Commerce at Ottawa and may be consulted by interested parties.

### **Finnish Marking Regulations for Apples**

With reference to the notice in *Commercial Intelligence Journal* No. 1619 (February 9, 1935), page 200, regarding Finnish marking regulations for imported fresh apples and certain other goods, Mr. Richard Grew, Canadian Trade Commissioner at Oslo, advises that, according to a Finnish Resolution of May 21, 1937, the marking regulations for fresh apples will apply only to apples imported into Finland during the period August 1 to December 15 (formerly August 1 to December 31). The marking regulations provide that the country of origin must be branded, stamped, printed or painted on each barrel or box in lettering at least two centimetres (0.78 inch) high.

## **Certificates for Commercial Travellers Going to Poland Not Required to be Viséd**

With reference to the notice in *Commercial Intelligence Journal* No. 1742 (June 19, 1937), page 1129, relating to certificates for commercial travellers going to Poland, Mr. J. Pawlica, Consul General of Poland in Canada, advises on June 26 that, according to information received from his Government, these certificates do not require a visa by the Polish consular offices in Canada.

### **Cuban Quotas on Condensed Milk**

C. S. Bissett, Canadian Trade Commissioner at Havana, writes that quotas have been established on imports of condensed, evaporated or concentrated milks into Cuba. The quota to be allotted to each country is the amount shown by Cuban statistics to have been imported during the calendar year 1935; but an importer is restricted to 1,000 cases of forty-eight 14-ounce tins per month. The first quota year began June 1, 1937. Permits must be secured before the shipment leaves the port of origin and are valid for three months from date of issue. Because of existing trade treaties the United States, France, and Spain may ship without restriction.

### **Bolivian Import Prohibitions Suspended**

Mr. M. J. Vechsler, Canadian Trade Commissioner in Lima, writes under date June 15, 1937, that advices have just been received, which have been confirmed, that a ministerial resolution was adopted under date May 29, which referred back to a decree that was published under date September 5, 1936, whereby import prohibitions and restrictions were imposed on a number of articles. By virtue of the decree of September, 1936, the Bolivian Minister of Finance was empowered to suspend or amplify the restrictions imposed on Bolivian import trade and acting under this authority the Bolivian Secretary of State, who is holding the portfolio of Finance, issued a ministerial resolution ordering that the restrictions on import trade were to be generally suspended and that the Customs Houses of Bolivia were to give clearance to importations, the only requirement being that proof was to be furnished that the exchange with which such goods were to be paid had been legally acquired from banking institutions or from importers' resources held abroad.



## FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING JULY 6, 1937

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Tuesday, July 6, and for the week ending Monday, June 28, 1937, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending June 28	Nominal Quotations in Montreal Week ending July 6	Official Bank Rate
Austria . . . . .	Schilling	.1407	\$ .1874	\$ .1875	3½
Belgium . . . . .	Belga	.1001	.1691	.1686	2
Bulgaria . . . . .	Lev	.0072	.0129	.0129	6
Czechoslovakia . . . . .	Krone	.0296	.0349	.0349	3
Denmark . . . . .	Krone	.2680	.2204	.2214	4
Finland . . . . .	Markka	.0252	.0218	.0219	4
France . . . . .	Franc	.0392	.0446	.0386	5
Germany . . . . .	Reichsmark	.2382	.4015	.4015	4
Great Britain . . . . .	Pound	4.8666	4.9387	4.9600	2
Greece . . . . .	Drachma	.0130	.0091	.0091	6
Holland . . . . .	Guilder	.4020	.5507	.5502	2
*Hungary . . . . .	Pengo	.1749	.2960	.2958	4
Italy . . . . .	Lira	.0526	.0527	.0526	4½
Jugo-Slavia . . . . .	Dinar	.0176	.0233	.0231	5
Norway . . . . .	Krone	.2680	.2482	.2491	4
Poland . . . . .	Zloty	.1122	.1896	.1895	5
Portugal . . . . .	Escudo	.0442	.0448	.0449	4½
Roumania . . . . .	Leu	.0060	.0074	.0073	4½
Spain . . . . .	Peseta	.1930	.....	.....	5
Sweden . . . . .	Krona	.2680	.2546	.2556	2½
Switzerland . . . . .	Franc	.1930	.2295	.2289	1½
United States . . . . .	Dollar	1.0000	1.0015	1.0009	1½
Mexico . . . . .	Peso	.4985	.2779	.2778	4-5
Cuba . . . . .	Peso	1.0000	1.0000	1.0000	—
Guadeloupe . . . . .	Franc	.0392	.0446	.0386	—
Jamaica . . . . .	Pound	4.8666	4.9487	4.9700	—
Martinique . . . . .	Franc	.0392	.0446	.0386	—
Other British West Indies	Dollar	1.0138	1.0289	1.0333	—
Argentina . . . . .	Peso (Paper)	.4245	.3294	.3305	3½
		Unofficial	.3020	.3018	—
Brazil . . . . .	Milreis (Paper)	.1196	.0656	.0656	—
British Guiana . . . . .	Dollar	1.0138	1.0289	1.0333	—
Chile . . . . .	Peso	.1217	.0518	.0517	4½
		Unofficial	.0418	.0417	—
Colombia . . . . .	Peso	.9733	.5706	.5704	4
Peru . . . . .	Sol	.2800	.2579	.2502	6
Venezuela . . . . .	Bolivar	.1930	.3155	.3153	—
Uruguay . . . . .	Peso	1.0342	.7957	.7947	—
South Africa . . . . .	Pound	4.8666	4.9325	4.9537	3½
Egypt . . . . .	Pound (100 Piastres)	4.9431	5.0580	5.0850	—
China (Shanghai) . . . . .	Dollar	.....	.2970	.2966	—
Hongkong . . . . .	Dollar	.....	.3037	.3026	—
India . . . . .	Rupee	.3650	.3729	.3743	3
Japan . . . . .	Yen	.4985	.2873	.2882	3.29
Java . . . . .	Guilder	.4020	.5509	.5523	—
Siam . . . . .	Baht (Tical)	.4424	.4526	.4542	—
Straits Settlements . . . . .	Dollar	.5673	.5793	.5814	—
Australia . . . . .	Pound	4.8666	3.9500	3.9675	3
New Zealand . . . . .	Pound	4.8666	3.9825	4.0000	2
		* Unofficial:	.1980	.1978	—

The Dominion Bureau of Statistics has supplied the following note:—

Events moved rapidly after the French Senate finally agreed on June 30 to give the Government wider powers to deal with the financial crisis. Within a few hours formal devaluation of the franc was announced, and on the following day the Bourse was reopened and trading in the franc resumed. It was stated that the franc would be allowed to find its natural level. The French franc at Montreal fell from 4.10 cents on June 30 to 3.85 cents on July 2 and remained close to that level for the remainder of the week. Sterling rose steadily from \$4.949 on June 30 to \$4.954 on July 5, while premiums on the United States dollar were reduced from 0.28 per cent to 0.13 per cent during this period.

## TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

### Secretary, Board of Trade—

Saint John, N.B.  
Halifax, N.S.  
Quebec, P.Q.  
Montreal, P.Q.  
Toronto, Ont.

Chatham, Ont.  
Kitchener, Ont.  
Stratford, Ont.  
Woodstock, Ont.  
St. Mary's, Ont.

Portage la Prairie, Man.  
St. Boniface, Man.  
Winnipeg, Man.  
Vancouver, B.C.  
New Westminster, B.C.

### Secretary, Chamber of Commerce—

Sherbrooke, P.Q.  
Kingston, Ont.  
Oshawa, Ont.

Belleville, Ont.  
Peterborough, Ont.  
London, Ont.

Hamilton, Ont.  
Victoria, B.C.  
Prince Rupert, B.C.

Border Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

### Secretary, Canadian Manufacturers Association—

Toronto, Ont.  
Montreal, P.Q.

Winnipeg, Man.  
Edmonton, Alta.

Vancouver, B.C.  
Victoria, B.C.

The Maritime Provinces Trade Commissioner, 122 Federal Building, Toronto, Ont.

The Bureau of Provincial Information. Victoria, B.C.

**Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.**

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Foodstuffs—</b>			
Canned Fruits (Apples, Plums, Pears and Peaches).	463	Bristol, England.....	Agency.
Evaporated Apples.....	464	Amsterdam, Holland.....	Agency.
<b>Miscellaneous—</b>			
Dress Gloves (Men's and Boys' One-dome Style).	465	Bristol, England.....	Agency.
Boxboard.....	466	Leicester, England.....	Purchase and Agency.
Mother-of-Pearl Shells (White) ..	467	Birmingham, England.....	Purchase or Agency.
Fishing Rods and Fishing Accessories.	468	Melbourne, Australia.....	Agency.
Shelf Hardware.....	469	Melbourne, Australia.....	Agency.
Hardware (Kitchen).....	470	Melbourne, Australia.....	Agency.
Electric Rangettes.....	471	Melbourne, Australia.....	Agency.
Parts for Refrigerators.....	472	Coventry, England.....	Purchase.
Automobile Accessories.....	473	Shanghai, China.....	Agency.
Asbestos Yarn, Millboard, Packing, and Fibre Jointing.	474	Shanghai, China.....	Agency.
Ammonia, Chloride of (i.e., Sal Ammoniac).	475	Shanghai, China.....	Agency.
Heavy Chemicals.....	476	Leicester, England.....	Purchase or Agency.
Grinding Equipment of All Kinds	477	Shanghai, China.....	Agency.



## PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

### From Montreal

*To Liverpool.*—Duchess of York, July 16; Montcalm, July 24; Duchess of Bedford, July 30; Duchess of Richmond, Aug. 6—all Canadian Pacific; Andania, July 16; Antonia, July 30—both Cunard-White Star Line.

*To London.*—Beaverdale, July 16; Beaverburn, July 23; Beaverbrae, July 30; Beaverhill, Aug. 6; Beaverford, Aug. 13—all Canadian Pacific; Alaunia, July 16; Ausonia, July 23; Ascania, July 30; Aurania, Aug. 6—all Cunard-White Star Line.

*To London, Antwerp and Rotterdam.*—Rutenfjell, July 14; Taborfjell, July 26; Harpefjell, Aug. 4—all Fjell Line.

*To Manchester.*—Manchester Commerce, July 15; Manchester Port, July 22; Manchester Brigade, July 29; Manchester Division, Aug. 5; Manchester Citizen, Aug. 12; Manchester Regiment, Aug. 19—all Manchester Line.

*To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—Dorelian, July 17; Dakotian, Aug. 5—both Cunard-Donaldson and Dominion Lines; New York City, July 27; Bristol City, Aug. 14—both Bristol City and Dominion Lines.

*To Glasgow.*—Sulairia, July 16; Athenia, July 23; Delilian, July 30; Letitia, Aug. 6—all Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Cairnvalona, July 14; Cairnesk (calls at Dundee), July 21; Cairnglen, July 28; Cairnmona, Aug. 4; Cairnross (calls at Dundee), Aug. 18—all Cairn-Thomson Line.

*To Aberdeen and Hull.*—Gitano, July 28; Kyno, Aug. 14—both Ellerman's Wilson Line.

*To Dublin and Belfast.*—Fanad Head, Head Line, July 22 (cargo accepted for Cork).

*To Antwerp and Havre.*—Hada County (calls at Dunkirk), July 27; August, Aug. 15; Brant County, Aug. 25—all County Line; Beaverdale, July 16; Beaverburn, July 23; Beaverhill, Aug. 6; Beaverford, Aug. 13—all Canadian Pacific (do not call at Havre).

*To Rotterdam.*—Flint II, Aug. 8; Grey County, Aug. 18—both County Line.

*To Hamburg and Bremen.*—Bochum, Hamburg-American Line, July 23; Beaverbrae (does not call at Bremen), Canadian Pacific, July 30.

*To Copenhagen, Gothenburg and Baltic Ports.*—Korsholm, July 24; Ragnhildsholm, Aug. 25—both Swedish-America-Mexico Line.

*To Marsilles, Genoa, Naples, Messina, Palermo, Lisbon and Leghorn.*—Capo Noli, July 23; Capo Lena, Aug. 13—both Capo Line.

*To Norwegian Ports.*—Topdalsfjord, Norwegian-American Line, July 15; a steamer (calls at Liverpool and Manchester), Fjell Line, July 26.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Magnhild, July 24 and Aug. 7; Eikhaug (does not call at St. Pierre), Aug. 2—both Shaw SS. Co.; Belle Isle, Newfoundland-Canada SS. Co., July 16 and 30.

*To Corner Brook, Nfld.*—North Voyageur, July 11 and July 25; New Northland, July 19 and Aug. 2—both Clarke SS. Co.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Chomedy, July 22; Cornwallis, Aug. 5—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Hamilton (Bermuda), Nassau (Bahamas), Kingston (Jamaica) and Belize (British Honduras).*—Cavelier (does not call at Hamilton or Nassau), July 16; Lady Somers, July 21; Cathcart (does not call at Hamilton or Nassau), July 30; Lady Rodney, Aug. 4—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer, Ocean Dominion SS. Corp., July 16.

*To Brisbane, Sydney and Melbourne.*—Surrey, Montreal-Australia-New Zealand Line, July 29 (calls at Adelaide if sufficient inducement offers).

*To Auckland, Napier, Wellington, Lyttelton, Timaru, Dunedin and Bluff.*—Ardenvohr, Montreal-Australia-New Zealand Line, July 29.

*To Sierra Leone, Walvis Bay, Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques and Beira.*—Egba (does not call at Sierra Leone, Walvis Bay, Lourenco Marques or Beira), July 15; Calgary, July 25—both Elder Dempster Lines Ltd.

*To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Singapore, Madras, Rangoon and Calcutta.*—Urbino, July 15; City of Salisbury, July 31—both Canada-India Service.

*To Belawan Deli, Penang, Port Swettenham, Singapore, Batavia, Cheribon, Samarang, Soerabaya and Macassar.*—Mapia, July 19; Kota Radja, Aug. 17—both Java-New York-Blue Funnel Line.



*To Manila, Hongkong, Shanghai and Dairen.*—City of Lyons, Ellerman & Bucknell SS. Co., Aug. 2.

*To Buenos Aires.*—Rena, International Freighting Corp., July 15 (also calls at Santos and Rio de Janeiro); a steamer, Guardiaz Line, July 12 (also calls at Montevideo).

### From Quebec

*To Southampton.*—Empress of Britain, Canadian Pacific, July 31 and Aug. 14.

### From Halifax

*To Liverpool.*—Nova Scotia, July 15; Newfoundland, July 31—both Furness Line.

*To London, Hamburg, Hull, Leith and Dundee.*—McKeesport, July 19; Liberty, July 31—both American Hampton Roads.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Kongshaug, Newfoundland-Canada SS. Ltd., July 12 and 26; Fort Amherst, July 12 and 26; Fort Townshend, July 19—both Furness-Red Cross Line; Portia (does not call at St. Pierre), Newfoundland Ry. and SS. Co., July 14 and 28; Nova Scotia, July 15; Newfoundland, July 31—both Furness Line.

*To Kingston (Jamaica) and Belize (British Honduras).*—Cavelier, July 19; Cathcart, Aug. 2—both Canadian National.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Nelson, July 15; Lady Hawkins, July 29; Lady Drake, Aug. 12—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer, Ocean Dominion SS. Corp., July 21.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Colborne, July 12; Chomedy, July 26; Cornwallis, Aug. 9—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Santiago (Cuba) and Kingston (Jamaica).*—Kirsten B. Pickford & Black, July 14.

*To Yokohama, Kobe, Shanghai, Hongkong, Manila, Cebu and Java.*—Chinese Prince, July 19; Javanese Prince, Aug. 16—both Furness-Prince Line; Silverbeech, July 27; Silveryew, Aug. 1—both Silver Line.

### From Saint John

*To London, Aberdeen, Newcastle and Hull.*—Cavallo, July 15; Trentino (calls at London only), Aug. 12—both Ellerman's Wilson Line.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Hawkins, July 22; Lady Drake, Aug. 4—both Canadian National.

*To Kingston (Jamaica).*—Crawford Ellis, United Fruit Line, July 16.

### From Vancouver

*To Yokohama, Kobe and Osaka.*—Heian Maru, July 24; Hikawa Maru, Aug. 14—both Nippon Yusen Kaisha.

*To Yokohama, Kobe, Shanghai, Hongkong and Manila.*—Empress of Asia (calls Nagasaki), July 23; Empress of Canada (calls Honolulu), Aug. 7; Empress of Russia (calls Nagasaki), Aug. 19—all Canadian Pacific; Ixion, July 24; Talthybius, Aug. 21—both Blue Funnel Line (call at Miike but not at Manila).

*To Bombay, Colombo, Belawan Deli, Penang, Singapore, Batavia, Samarang, Soerabaya, Davao and Manila.*—Hoeg Merchant, Silver-Java Pacific Line, Aug. 2.

*To Honolulu, Suva, Auckland and Sydney.*—Niagara, Aug. 3; Aorangi, Aug. 31—both Canadian-Australasian Line.

*To Papeete, Auckland, Wellington, Lyttelton, Dunedin, Melbourne and Sydney.*—Limerick, Canadian-Australasian Line, July 25.

*To London, Liverpool and Rotterdam.*—Damsterdyk (calls at Glasgow), July 24; Lochgoil, Aug. 7; Delftdyk (calls at Glasgow), Aug. 21—all Holland-America Line.

*To Antwerp, Hamburg and Bremen.*—Weser, July 12; Schwaben, Aug. 18—both North German Lloyd Line; Seattle, July 13; Tacoma, Aug. 2; Portland, Aug. 9; Vancouver, Aug. 25—all Hamburg-American Line.

*To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.*—Washington, July 13; San Francisco, July 26; Wyoming, Aug. 10—all Empire Shipping Co. Ltd.

*To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.*—Rialto, July 19; Chisone, Aug. 16—both Empire Shipping Co.

*To Port of Spain (Trinidad) and Bridgetown (Barbados).*—A steamer, Canadian Transport Co., July.

*To Kingston (Jamaica).*—A steamer, Canadian Transport Co., July.

*To Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques, Colombo, Calcutta and Madras.*—Silverbelle, Silver-Java Pacific Line, Aug. 5.

*To Montevideo, Buenos Aires, Santos, Rio de Janeiro and Bahia.*—Leikanger, Empire Shipping Co., July 30.

# COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

## CANADIAN GOVERNMENT TRADE COMMISSIONERS

### Argentina

J. A. STRONG, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

### Australia

*Sydney:* L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh Streets. (Territory covers Federal District of Canberra, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

*Commercial Agent:* B. MILLIN, The Royal Exchange, Sydney, N.S.W.

*Melbourne:* FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building, Melbourne. (Territory covers States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

### Belgium

YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

### Brazil

L. S. GLASS. Address for letters—Caixa Postal 2164, Rio de Janeiro. Office—Ed. Da. "A. Noite," Sala 802, Praca Maua. *Cable address, Canadian.*

### British Malaya

B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory covers the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

### British West Indies

*Trinidad:* M. B. PALMER. Address for letters—P.O. Box 125, Port of Spain. Office—Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, and British Guiana.) *Cable address, Canadian.*

*Jamaica:* F. W. FRASER, P.O. Box 225, Office—Canadian Bank of Commerce Chambers, Kingston. (Territory covers Jamaica, Haiti, the Bahamas, and British Honduras.) *Cable address, Canadian.*

### China

*Shanghai:* H. A. SCOTT. Address for letters—P.O. Box 264. Office—Ewo Building, 27 The Bund, Shanghai. (Territory covers Central China and North China.) *Cable address, Canadian.*

### Cuba

C. S. BISSETT. Address for letters—Apartado 1945, Havana. Office—Royal Bank of Canada Building, Calle Aguiar 75, Havana. (Territory includes Dominican Republic and Puerto Rico.) *Cable address, Canadian.*

### Egypt

HENRI TURCOT. Address for letters—P.O. Box 1770, Cairo. Office—22 Shari Kasr el Nil, Cairo. (Territory includes the Sudan, Palestine, Cyprus, Iraq, Syria, Iran, Greece, Turkey, Bulgaria, and Roumania.) *Cable address, Canadian.*

### France

HERCULE BARRÉ, Commercial Attaché, 3 rue Scribe, Paris (9). (Territory includes French Colonies in North Africa.) *Cable address, Cancomac.*

### Germany

J. C. MACGILLIVRAY, Mönckebergstrasse 31, Hamburg. (Territory includes Germany—except the Rhine Valley—Czechoslovakia, Austria, and Poland.) *Cable address, Canadian.*

### Hongkong

V. E. DUCLOS. Address for letters—P.O. Box 80, Hongkong. Office—Gloucester Building, Hongkong. (Territory includes South China, the Philippines, and Indo-China.) *Cable address, Canadian.*

### British India

PAUL SYKES. Address for letters—P.O. Box 2003, Calcutta. Office—23 Esplanade Mansions, Government Place East, Calcutta. (Territory includes Burma and Ceylon.) *Cable address, Canadian.*

### Irish Free State and Northern Ireland

JAMES CORMACK, 66 Upper O'Connell Street, Dublin, Irish Free State (*cable address, Canadian*); and 40 Victoria Square, Belfast, Northern Ireland.



## CANADIAN GOVERNMENT TRADE COMMISSIONERS—*Con.*

### Italy

A. B. MUDDIMAN, Via Manzoni Nr. 5, Milan (102). (Territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia.) *Cable address, Canadian.*

### Japan

*Tokyo:* J. A. LANGLEY, Commercial Secretary. Address for letters—P.O. Box 401, Tokyo Central. Office—Canadian Legation, 16 Omotecho, 3-chome, Akasakaku, Tokyo. *Cable address, Canadian*

*Kobe:* P. V. McLANE. Address for letters—P.O. Box 230, Kobe. Office—309 Crescent Building, 72 Kyomachi, Kobe. *Cable address, Canadian.*

### Mexico

ACTING TRADE COMMISSIONER. Address for letters—Apartado Num. 126-Bis, Mexico City. Office—Edificio Banco de Londres y Mexico, Num. 30, Mexico City. (Territory includes Guatemala, Honduras, and Salvador.) *Cable address, Canadian.*

### Netherlands

ACTING TRADE COMMISSIONER, Coolsingel 111b, Rotterdam. (Territory includes the Rhine Valley and Switzerland.) *Cable address, Canadian.*

### New Zealand

W. F. BULL. Address for letters—P.O. Box 33, Auckland. Office, Yorkshire House, Shortland Street, Auckland. (Territory includes Fiji and Western Samoa.) *Cable address, Canadian.*

### Norway

RICHARD GREW, Stortingsgaten 28, Oslo. (Territory includes Sweden, Denmark, and Finland.) *Cable address, Canadian.*

### Panama

W. J. RIDDIFORD. Address for letters—P.O. Box 222, Panama City. Office—Royal Bank of Canada Building, Santa Ana Plaza, Panama City. (Territory includes the Canal Zone, Venezuela, Colombia, Nicaragua, and Costa Rica.) *Cable address, Canadian.*

### Peru

M. J. VECHSLER. Address for letters—Casilla 1212, Lima. Office—Portal de Belén No. 166, Plaza San Martin, Lima. (Territory includes Bolivia, Ecuador, and Chile.) *Cable address, Canadian*

### South Africa

*Cape Town:* G. R. HEASMAN. Address for letters—P.O. Box 683, Cape Town. Office—Cleghorn & Harris Building, Adderley Street, Cape Town. (Territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar.) *Cable address, Cantracom.*

*Johannesburg:* J. L. MUTTER. Address for letters—P.O. Box 715, Johannesburg. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

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**Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.**



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# COMMERCIAL INTELLIGENCE JOURNAL

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No. 1746



**Grain Conveying System, Bristol, England**

*Courtesy Port of Bristol Authority*

ISSUED BY AUTHORITY OF  
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE  
JAMES G. PARMELEE, DEPUTY MINISTER

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Vol. LVII

Ottawa, July 17, 1937

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## TRADE COMMISSIONERS ON TOUR

The following Canadian Trade Commissioners are now on tour in the Dominion: Mr. F. W. Fraser, Kingston, Jamaica (whose territory covers Jamaica, Haiti, the Bahamas, and British Honduras); Mr. G. R. Heasman, Cape Town, South Africa (whose territory includes Cape Province and South-west Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar); and Mr. L. S. Glass, Rio de Janeiro, Brazil. Their itineraries are as follows:—

Mr Fraser

Belleville and Picton... .. July 19  
Kingston, Gananoque, and  
Brockville... .. July 20

St. Stephen, N.B.. . . . . Aug. 2  
Grand Manan. . . . . Aug. 3 to 6  
Saint John.. . . . Aug. 7 to 10

Mr. Heasman

Montreal . . . . . July 19 to 31  
 Granby . . . . . Aug. 3  
 Quebec . . . . . Aug. 4  
 Fredericton . . . . . Aug. 6 and 7

Saint John . . . . . Aug. 9 and 10  
Halifax . . . . . Aug. 12  
Truro . . . . . Aug. 13  
Moneton . . . . . Aug. 16

## Mr Glass

Vancouver . . . . . July 19 to 24  
Winnipeg . . . . . July 26  
Toronto . . . . . July 29 to Aug. 10

Kitchener . . . . . Aug. 11 and 12  
Hamilton . . . . . Aug. 13 and 14  
London . . . . . Aug. 16

Firms who wish to be brought in touch with the Trade Commissioners should communicate for Vancouver, Winnipeg and Toronto, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other cities with the respective Board of Trade or Chamber of Commerce.

## CONDITIONS IN NEWFOUNDLAND

A. E. BRYAN, INSPECTOR, CANADIAN TRADE COMMISSIONER SERVICE

### III. Fishing Industry

Newfoundland's fisheries are of first and paramount importance to the economic well-being of that colony. They constitute a natural and apparently inexhaustible wealth and occupy the energies of about half her population. It is important, however, to remember that the average length of time necessary to conduct the fishery in any one season is not more than four months; therefore, before the fisherman of Newfoundland can live in comfort he must supplement his earnings with income derived from other sources, such as agriculture, lumbering, and fox-farming. This creates a major problem which is receiving the careful study of the Commission of Government.

## LABRADOR FISHERY

The fishing industry falls naturally into three categories: the Labrador, the Shore, and the Bank fisheries. The Labrador fishery is peculiar inasmuch



as the fisherman-skipper is the capitalist and the Labrador "floater" or vessel is merely a transport unit, the fishing being conducted by one or more of the methods employed in Shore fishing. Only about one-sixth of the time is taken to cure the catch of the Labrador fishery for export as is necessary for Shore or Bank fish, but its value is about half that of the Shore or Bank variety, and the demand in foreign markets for Labrador fish is not nearly so great. Owing to higher prices for fish now prevailing, and because of the removal of the duty of 11 cents per gallon on gasolene for fishing purposes, and of the drawback of one dollar per hogshead on fishing salt, the Labrador "floater" fishery is likely to be more actively undertaken this season.

#### SHORE FISHERY

The Shore fishery has numerous subdivisions, and its operations range from fishing with skiffs of from 10 to 20 tons, which sail as far as twenty-five miles out to sea, down to small dories which fish off the wharves. It also includes the trap fishery, which originally was intended to be a supplementary fishery only, and which, because of ease of operation, has tended to become a separate branch of the fishery from which the operators endeavour to obtain their entire livelihood.

#### BANK FISHERY

The Bank fishery is of particular importance to Newfoundland. While it requires a substantial outlay of capital and involves great risk, it is to-day the chief source of employment on the south coast, and from the point of view of the fishermen is the most remunerative branch of the industry.

In the Bank fishery the merchant is not only a substantial capitalist, but he is a joint producer with the fisherman. His objective is not merely to buy fish at a low price and sell it at a profit, but primarily to obtain full value for his fish in order to cover the cost of production. The fact that the Bank fishery is the only deep-sea fishery operated in Newfoundland, coupled with the above, constitutes the fundamental distinction between the Bank and all other fisheries. The basis for conducting all branches of the fisheries is the credit system, which, while becoming very much extended in recent years, should not be confused with the barter or truck system.

#### THE CREDIT RISK

The large merchant houses who conduct the country's export fish business supply the individual operators with gear and equipment on a credit basis; the fishermen in return turn over their catch to the merchants as a payment on account. No financial aid is extended by the Government other than a guarantee to grant loans to operators of banking vessels of amounts not in excess of one-half their actual losses up to a certain maximum. This has enabled many fishermen to prosecute their activities who otherwise would have been unable to do so.

During the last two seasons the results have been such that the merchants have large amounts of capital outstanding because of supplies and equipment sold to the fishermen, for which they have not yet been paid. Thus, it can be appreciated that the merchants financing the fishermen are absorbing a great financial risk, for it depends on the season's results as to whether fishermen's debts are fully liquidated or not.

In the Bank fishery the men take half the proceeds of the voyage, less a few nominal deductions. This provides each dory-man a much higher return than the average shore-man, while he has none of the production expenses such as gasolene, salt, and fishing gear. At present values a dory-man may do fairly well with a total catch for his vessel of 3,500 quintals, whereas the owner, because

of the heavy expense involved in outfitting, might suffer a considerable loss. On the other hand, the Bank fisherman is continually taking his life in his hands, spending long hours in uncertain weather in wintry seas, typifying what Kipling had in mind when he wrote *Captains Courageous*. Last season there was an unusually heavy loss of life, as no fewer than five large vessels became a total loss.

#### BANK FISHING FLEET

It is true that the great fleets of dory-men that sailed in former days from Gloucester, Lunenburg, and north as well as south seaports of Newfoundland have shrunk to small proportions, beam trawlers now doing the work much more effectively and with little of the hardship and risk attaching to dory fishing. Nevertheless the day of the vessel is far from past, and increased prices for fish which are now evident should place the Bank fisheries in a much better position.

During the 1936 season there were ninety-eight Newfoundland vessels engaged in the Bank fisheries. The total number of crews was 1,474 and their production of dry salt cod amounted to 154,175 $\frac{3}{4}$  quintals as compared with 115,965 quintals in 1935, an increase of 38,210 $\frac{3}{4}$  quintals. The total gross weight of this fleet was 5,737 $\frac{1}{2}$  tons or an average weight of about 58 $\frac{1}{2}$  tons per vessel.

#### RESULTS IN 1936

The 1936 cod fishery was the smallest in thirty years, the total catch being under 1,000,000 quintals, and about 20 per cent less than in 1935. The Shore fishery was non-productive in many districts; the Bank fishery had a better season than in 1935, but the catch was not yet sufficient to make it remunerative. The Labrador fishery was poor because of scarcity of fish and also because fewer vessels were outfitted.

It can be said that results were poor in practically every fishing district, with the possible exception of the district of Fogo. It was rather remarkable that in some of the best fishing districts such as the Southern Shore and Bay de Verde the 1936 season proved a complete failure. While undoubtedly there was some curtailment in credit and in the number of fishermen prosecuting the industry, the supplying merchants as usual outfitted their dealers. The failure of the voyage was therefore most disappointing to merchants and fishermen alike.

The following figures indicate the production during the 1936 season compared with 1935:—

#### *Catch of Codfish during 1935-36*

	1935	1936
	Quintals	Quintals
Bank fishery . . . . .	120,000	190,000
Shore fishery . . . . .	702,000	470,000
Labrador fishery . . . . .	403,600	310,000
Total . . . . .	1,230,000	970,000

It will be seen that the decrease compared with 1935 amounted to 260,000 quintals, although there was an increase in the catch from the Bank fishery of 70,000 quintals over that of the previous season.

#### FISH EXPORT BUSINESS

The sale of Newfoundland codfish in foreign markets, which at one time comprised about 50 per cent of the country's export trade, has shown a gradual decrease during recent years, as will be noted from the following figures giving

the total quantity and value of codfish exported during each of the last ten years, and also the average value per quintal:—

*Dried Codfish Exports from Newfoundland, 1926 to 1936*

Year	Quintals (112 Lbs.)	Value \$	Average Price per Quintal
1926-27 . . . . .	1,589,841	12,047,414	7.58
1927-28 . . . . .	1,573,748	11,540,976	7.33
1928-29 . . . . .	1,292,502	11,823,588	9.14
1929-30 . . . . .	1,252,479	11,530,682	9.20
1930-31 . . . . .	1,147,108	7,724,830	6.72
1931-32 . . . . .	1,111,007	5,029,972	4.52
1932-33 . . . . .	1,193,969	5,091,772	4.26
1933-34 . . . . .	1,192,123	5,672,554	4.75
1934-35 . . . . .	1,218,790	6,118,272	5.02
1935-36 . . . . .	1,233,216	4,939,895	4.00

It will be observed that in 1926-27, when the colony's total export trade was valued at \$27,563,000, sales of codfish abroad amounted to \$12,057,414 or more than 39 per cent of the total. Last year (1935-36), with an export trade totalling \$28,862,360, the value of codfish sold overseas amounted to only \$4,939,895, or a little more than 17 per cent.

The cause of this falling-off in the proportion of codfish in the country's export trade is due as much to decreased prices as it is to smaller catches, but it is evident that with the tendency towards increased prices during the last few months, the value of codfish sold abroad during the next twelve months will show a large increase.

Last season Spain and Portugal were the largest markets for Newfoundland dried codfish. These two countries took 41.13 per cent of the total exports, followed by Brazil with 17.24 per cent, British West Indies with 13.96 per cent, and French West Indies with 12.84 per cent. Canada took only 1.32 per cent of the dried codfish.

*Exports of Dried Codfish during 1935-36 by Principal Countries*

Countries to which exported	Quintals	\$
Total . . . . .	1,233,216	4,939,895
Spain . . . . .	214,473	1,041,278
Portugal . . . . .	219,698	990,941
Brazil . . . . .	215,699	851,502
British West Indies . . . . .	173,827	689,754
French West Indies . . . . .	215,977	634,316
Greece . . . . .	86,386	293,691
Italy . . . . .	42,769	205,052
United Kingdom . . . . .	23,823	71,753
Canada . . . . .	18,581	65,250
Madeira . . . . .	7,934	38,460
Cuba . . . . .	4,367	18,663
United States . . . . .	3,691	12,357
Morocco . . . . .	2,510	11,731
Malta . . . . .	2,091	9,244
Other countries . . . . .	1,290	5,902

In addition to the above, there were exported 38,446 quintals of pickled codfish valued at \$94,210 and 1,770 quintals or 198,220 pounds of fresh codfish valued at \$4,240. Greece was the principal market for pickled codfish, taking 22,235 quintals valued at \$16,282. The other consuming countries were Canada, the United Kingdom, and the United States. The bulk of the fresh codfish exported from the colony went to Canada. Weekly shipments of from 10,000 to 60,000 pounds continued throughout the winter months, most of it being shipped into North Sydney, where it was processed by fishing plants that have no other source of supply for raw fish at that time of the year.

There is no duty on Newfoundland fish coming into Canada, and as codfish can be purchased from the fishermen at Port aux Basques and vicinity at



three-fourths of a cent per pound with the heads removed, it is possible to pay the freight and import them into Canada to be processed by either filleting or flaking, and then to market them competitively with Canadian-caught fish, which cost the fishing plants one and one-half cents per pound with heads removed.

With a view to increasing the importance of the fresh fish industry as compared with the salt codfish trade, the Fisheries Board are now investigating new methods of preparing the fish. Private firms are working along the same lines, and a beginning has been made by putting up fresh fish in fillets, flakes, and other attractive forms.

#### MARKET TRENDS

Because of uncertainty in the export markets, much of the fish sold early in 1936 fetched relatively low prices. As the season advanced market conditions strengthened, and reopening of the Italian market helped to a certain extent. Much of the catch, however, had been disposed of before the improved prices began to prevail. On the whole, last year's prices did not cover production costs, but during the first two months of 1937 prices of fish in all markets except Portugal showed an increase of from 50 to 100 per cent.

The Portuguese market is controlled by what is known as the "Portugal Group" (see *Commercial Intelligence Journal* No. 1735: May 1, 1937). No individual firm or company makes shipments to this market except through this sales organization. During recent years Newfoundland has supplied approximately one-third of the total fish requirements of this market, and a short time ago the Fisheries Board sent an expert to Portugal to study the requirements with a view to developing a larger outlet. Codfish sold to Portugal is shipped in bulk, whereas in the case of all other markets shipments are made in casks, drums, or barrels, and the cost of packing and containers must be deducted from the sale price.

The Porto Rican and Greek markets have rallied considerably, and steady prices have been maintained in Brazil. Credit relations with the latter country are excellent, there being no amounts now outstanding. Difficulties have arisen, however, in respect to the release of credits by Italy.

#### EXPORTS OF SALMON

The production of salmon in Newfoundland for the year ending June 30, 1936, was not as large as in 1935, but prices were better. The total value of salmon exports for the year was \$580,756, of which amount \$549,555 represented sales of fresh salmon. Last season, out of 3,633,172 pounds of fresh salmon sold abroad, the United Kingdom took 2,432,727 pounds (\$425,788), Canada 1,168,986 pounds (\$118,431), and the United States 40,329 pounds (\$5,323).

There were 1,579 cases of canned salmon valued at \$11,618 exported during the year, of which Canada took 1,448 cases valued at \$10,658. It is said that most of the canned salmon imported into Canada from Newfoundland is for re-export to other markets.

Other exports included pickled salmon valued at \$14,157, smoked salmon valued at \$5,111, and an insignificant quantity of salmon fillets and livers. Exports of pickled salmon were widely distributed, Malta, the British West Indies, and Canada being the chief consuming countries. The bulk of the smoked salmon exported went to the United Kingdom.

#### LOBSTER PRODUCTION INCREASES

There has been a rapid increase in the production of lobster during the last two seasons. Not only has lobster been much more plentiful, but it is believed

that the regulations which have been introduced for controlling this industry have had much to do with its success. Not only has the number of packers been reduced by restricting licences to those who put up a minimum of ten cases, but the minimum size of lobster allowed to be packed was increased from  $8\frac{1}{2}$  to 10 inches. The Fisheries Board fully realizes the desirability of centralizing the canning of lobster in order to secure a good uniform pack.

Total exports for the year ending June 30, 1937, amounted to 15,199 cases of canned lobsters and 142,448 pounds of fresh lobsters. The values were \$294,022 and \$12,891 respectively. Canada took 61 per cent of the canned lobster exports, or 9,281 cases, valued at \$177,510, and 99.8 per cent of the fresh lobsters, being 141,078 pounds valued at \$12,768.

Official regulations governing the catching, packing, and export of lobsters were approved by His Excellency the Governor in Commission on May 7, 1937, and are on file in the Department of Trade and Commerce, Ottawa (quote file No. 15448).

#### HERRING FISHERIES

The annual herring catch is of considerable importance to the fishing industry, and a fair export trade in Scotch-cure herring has been developed. The production of Scotch-cure herring is on a quota basis, the amount having been fixed at 26,000 barrels. The marketing of herring was formerly supervised by the Herring Board, and later by the Fisheries Board, but difficulties arose and it is now proposed to discontinue this system as far as possible.

Exports of Scotch-cure herring amounted to 24,522 barrels valued at \$229,541, of which Canada took 13,113 barrels valued at \$126,498. The balance was shipped to the United States.

Small quantities of herring are exported in other forms such as pickled, round, split, and fresh, but the business is relatively small. Last year Canada purchased 7,679 barrels of split herring out of a total export of 10,555 barrels.

#### MANUFACTURE OF HERRING MEAL AND OIL

The Fisheries Board has recently concluded arrangements for the construction of a herring reduction plant to manufacture oil and meal in Newfoundland. It is the ultimate intention to install three such plants on the south coast, if the initial effort is successful. According to the contract, the plants are to be built and operated subject to being granted exclusive manufacturing rights for a period of twelve years. The process involves the use of a floating factory to be fed by nine purse-seine fishing boats, 75 to 100 feet long and propelled by diesel engines of from 150 to 200 horse-power. These boats will carry from 100 to 120 tons of fish. The project will give employment to a large number of men and is said to be capable of great development, but it will be about two years before full production is reached, as some considerable time must be spent in investigations around the Newfoundland coast to ascertain herring movements.

#### OTHER FISH EXPORTS

Other fish exports from Newfoundland in 1936 included halibut, pickled turbot, and dried and fresh squid. Practically all the halibut exported was purchased by Canada and represented a value of \$29,500. Exports of pickled turbot totalled \$26,733; Canada's share was \$22,623. Total exports of dried and fresh squid were valued at \$48,751 and \$5,939 respectively. The principal markets for dried squid were the United States and China. The fresh squid was shipped to Canada.

The sale of fish abroad represented 22.2 per cent of the total exports of Newfoundland. Canada took 9.8 per cent, the United Kingdom 9.6 per cent,



and the United States 3·2 per cent of all the fish sold by the colony during the year 1936.

#### COD-LIVER OIL

Owing to the decrease in the inshore fishery, the production of cod-liver oil was lower in 1936 than in the previous year. Prices were about the same in both years, but the value of cod-liver oil has been steadily advancing this year. At the beginning of the season the value was \$85 per ton, and recently the price was \$110 per ton.

Total sales of cod-liver oil and meal in 1936 amounted to \$513,691, of which 18 per cent was marketed in Canada, 24 per cent in the United Kingdom, and 57 per cent in the United States.

About 20 per cent of the refined cod oil exported is what is known as high-grade medicinal non-freezing cod oil, with a guaranteed content of 1,500 vitamin A and 100 vitamin D, which is sold to drug manufacturers. The balance, or 80 per cent, consists of common cod oil used principally in the manufacture of poultry foods. Prices realized last season were from \$95 to \$120 per ton before being tanked, and yielded a return of 49 cents per wine gallon for shipment to the United States.

Total exports of common cod-liver oil during 1936 were 791,824 gallons valued at \$242,248. The United States took 410,274 gallons (\$137,503), the United Kingdom 306,868 gallons (\$82,742), and Canada 74,376 gallons (\$21,914). The remainder went to the British West Indies and Australia.

Exports of refined cod-liver oil totalled 265,953 gallons valued at \$168,782. Of this, the United States took 183,388 gallons (\$105,436), the United Kingdom 48,148 gallons (\$32,827), and Canada 34,317 gallons (\$30,222).

Lesser quantities of oil for poultry and cod-liver meal and stearine were exported during the year, Canada and the United States being the principal consuming countries.

### **SOUTH WALES-ST. LAWRENCE COAL FREIGHT RATES**

L. H. AUSMAN, ASSISTANT TRADE COMMISSIONER

Bristol, June 25, 1937.—During the recent years of depression in the shipping industry in the United Kingdom the operation of the minimum freight rate schemes enforced by the British Shipping Assistance Act, 1935, had a steadying effect and, assisted as these rates were by the recently increased activity in overseas trade, helped to place the industry in a much better position towards the end of last year.

A rapid increase in the demand for tonnage in the second half of 1936 resulted in a general improvement in tramp shipping rates. In spite of the betterment in rates, however, the financial side of the industry remained far from satisfactory. The average of freights for the whole year probably did little more than cover running expenses, and in some cases current depreciation, running costs, and repairs rising in response to the general increase in wholesale prices and as the result of recent agreements with regard to wages, manning, and hours. For many years companies have been unable to put by more than a fraction of the depreciation required to keep their fleets up to date.

#### SOUTH WALES SHIPPING

At the end of 1936 idle tonnage at the principal South Wales ports was practically negligible and all South Wales ships were in commission. In this connection it is well to bear in mind that in Cardiff, for example, the total gross tonnage of shipping under local management as at February 28, 1937, which



six years ago amounted to over 1,166,000 tons, was reduced to 143 vessels of 545,482 gross tons. The average level of tramp shipping freights in 1936 was 96·5 per cent of the 1913 level, the corresponding figure for 1935 being 81·07 per cent.

#### COAL FREIGHT RATES TO CANADA

The bulk of the tonnage of coal chartered for St. Lawrence ports is from Swansea, and although a considerable quantity is chartered under contract for which rates are not available, the following tabulation will show the highest and lowest rates reported by the *Daily Freight Register* for 1936, together with the average rates for the past four years:—

	s.	d.		s.	d.
1936 . . . . Highest	8	0	per ton	1935 . . . . Average	7 0
Lowest	6	6	per ton	1934 . . . . Average	6 10½
Average	7	1¼	per ton	1933 . . . . Average	6 6¼

The approximate rate at the present time is from 9s. 6d. to 10s. per ton, although little or no actual business is being transacted.

It is generally the custom for shipowners to make extensive contracts which frequently run over two or three seasons, and it is only when single cargoes come into the market that rates for separate cargoes are available. These naturally vary considerably according to the loading port and the state of the market at the time.

#### MINIMUM FREIGHT RATE SCHEME

The operation of the Minimum Freight Rate Scheme in the South Wales—St. Lawrence coal trade became effective on March 21, 1935. Immediately prior to that date the minimum rates quoted were about 6s. 3d. per ton, and this figure was set as the basis minimum for the scheme. The original intention was for the scheme to cover the St. Lawrence season of 1935, but it was later extended to cover all dates and to include North Sea Continental loading ports, and also Gdynia, Danzig, and Stettin as well as Black Sea and Azov ports. The list of discharging ports was also extended to cover United States Northern range ports as well as Halifax and Saint John.

On August 15, 1935, the minimum rate was increased to 7s. 3d. per ton, and on April 16 of the following year reduced to 6s. 6d. On this date the scheme as it applied to winter ports was withdrawn, although the St. Lawrence scheme remained in operation until October 8, 1936, when the whole scheme ceased to be effective.

The scheme throughout its period of operation was maintained for the purpose of fixing minimum rates below which freights could not be accepted. Actually quite a number of rates higher than the minimum were paid, and when conditions improved sufficiently to make the scheme unnecessary it was withdrawn in its entirety.

#### BOXBOARD IN THE IRISH FREE STATE

A. J. TINGLEY, ASSISTANT TRADE COMMISSIONER

Dublin, June 9, 1937.—In *Commercial Intelligence Journal* No. 1684 (May 9, 1937) there appeared a report on the "Paper Trade of the Irish Free State." The present report deals specifically with the market and the trade for boxboards, containers, cartons, and the materials used in their manufacture, viz., cardboard, pulpboard, millboard, and strawboard.

#### INCREASED DOMESTIC PRODUCTION

The increased domestic production, resulting from the establishment of new industries throughout the country, has created a large demand for card-

board cartons, boxes, and containers. Previous to 1933 cartons and containers of cardboard were admitted into the Irish Free State duty free and were, in consequence, largely imported. The Government however, anxious to assist in the establishment and protection of a new industry, imposed in 1933 an import duty of  $33\frac{1}{3}$  per cent preferred rate and 50 per cent ad valorem full rate on all imported cartons and containers, with the result that the manufacture of cartons, folding boxes, etc., is now a thriving industry in the Irish Free State.

There is at present no production of boxboard, millboard, or strawboard in the Free State. A firm in Dublin County produce a cheaper type of white pulp-board suitable for postcards and card indexes. The local manufacture of any type of board, however, is remote, as one of the domestic paper mills recently disposed of its plant for the production of boxboard.

#### TYPES OF BOARD IN DEMAND

There is a large demand for folding cartons of various types, especially for the confectionery, bakery, cigarette, and household soap trades. These cartons are usually made from wood-pulp boards, mainly from Scandinavia and Germany. A Canadian ground wood-pulp board is also in steady demand. This product is grey in colour, tough-fibred, and is used in the manufacture of folding cartons and smaller boxes. The Canadian product competes with those from Scandinavia, Germany, and Great Britain, and is approximately the same price. It is, however, somewhat tougher and stronger, but this is not considered an advantage by the boxmakers—rather the reverse—as it entails more labour in the lining and subsequent breaking into shape for the assembly of containers.

It is probable that the bulk of the trade for the cheaper grade of carton goes to British mills owing to the fact that the inner of the board is composed mainly of waste paper pulp—a grade which is practically unknown to the Canadian manufacturer, although old newspapers and waste paper could no doubt produce a similar product if any Canadian mills were contemplating catering for this class of trade. Current prices of Continental folding boxboard are as follows: white, 0.016 caliper, £18 per ton c.i.f. Dublin; cream, 0.015 caliper, £17 per ton c.i.f. Dublin; other colours extra according to shade, etc.

#### RIGID BOXES

There is also a good demand for rigid boxes, used mainly for packing footwear, chocolates, etc., and which are made from Dutch strawboard. Another type of Dutch strawboard, lined white on one side, is especially suitable for the production of boot and shoe boxes, and is imported in sizes according to the dimensions required, so that there will be a minimum of waste in the cutting. From four to six boxes are cut from each sheet, and the sizes of sheets vary from 20 inches by 30 inches up to 34 inches by 40 inches. This board is peculiar to Holland, where it is made from waste straw in small mills along the banks of the canals. The price is very cheap, ranging from £7 per ton. Current prices of Dutch strawboard (10 ounces per sheet 20 inches by 20 inches) are as follows: unlined, £8 per ton c.i.f. Dublin; lined, with white or brown kraft, approximately £10 10s. per ton c.i.f. Dublin.

The strong, brown, glazed board, used for the clothing trade and general shipment by parcel post, is imported from Scandinavian countries and is known as leatherboard. Unglazed leatherboard, machine-made, and non-waterproof type 80, is at present quoted at £14 10s. per ton c.i.f. Dublin.

#### FIBREBOARD

On the other hand, the demand for large, heavy containers, which are in reality packing cases, is supplied by a company in London. Their product is



made mainly from waste paper and lined with kraft, and is strong, durable, and attractive in appearance. There should be a good market for this type of board, provided Canadian manufacturers can meet British competition. This English company also makes matchboard for the manufacture of match boxes, but a good proportion of this trade still goes to Canada.

Plain and corrugated fibreboard are now largely replacing wooden boxes in this market. This product also is made by English mills, and is similar to that used by the shipping-container manufacturer previously referred to, some of these containers having an inner of corrugated paper.

#### MILLBOARDS

Millboards are usually made from a much stronger material than strawboards. They are used almost entirely for the manufacture of the sides and backs of better-quality account book covers and bank ledgers.

Strawboard is used in the cheaper account book covers, but in use the covers break up at the corners. Millboard is made in various thicknesses from  $\frac{1}{8}$  inch up. The bound book, however, is becoming obsolete, being replaced by the loose leaf ledger with sides and back made with three-play board instead of millboard.

#### EGG FILLERS AND FLATS

The Canadian cubical case is now the standard for packing eggs in most countries. There are now several firms in the Irish Free State making egg case fillers, and there is an enormous market for this product. Several years ago, however, when a local agent endeavoured to enter this trade, it was found that Canadian exporters could not compete in this product. Imports of egg box fillers and flats last year amounted to 4,951 cwts. valued at £4,137, of which 4,262 cwts. valued at £3,402 came from Great Britain and Northern Ireland.

#### BUS AND TRAM TICKETS

There is a fair trade in collecting old newspapers, etc., which are shipped to British and foreign mills graded to suit the requirements of the particular trade. This waste paper is largely used in the production of a cheap pulpboard for use as a bus and tramway ticket made up in coils or reels and numbered, the advertising which usually appears on the back being printed here.

For many years the price of old paper was as low as £2 per ton, when it was practically impossible for the trade to function, but with the increasing cost of paper it is becoming possible once more to ship these waste products.

#### PACKING

Most German imports of pulpboard are packed in bales weighing 3 to 4 cwts. enclosed in wooden frame, top and bottom iron bound. This type of packing, however, is heavy to handle by the importer here, unless by mechanical means.

The Canadian type of packing—i.e. cwt. bales with a strong millpaper wrapping—is preferred. Scandinavian packing is mostly in the larger 3-cwt. bales, but some shippers there are now adopting the lighter-weight package. Direct imports from Holland are usually packed in 3- to 4-cwt. bales, but if bought through London brokers they are usually shipped in  $\frac{1}{2}$ -cwt. bales, tied with strong cord. This apparently gives sufficient protection for the shorter journey from England.

#### TRADE TERMS, DISCOUNTS

Most importers here purchase their supplies of cardboard, etc., through London brokers or agents, and established accounts are accorded thirty to sixty



days credit. Purchases direct from Scandinavia, Germany, or Holland, however, are usually on a "cash against documents" basis with discounts varying from 2 per cent to 2½ per cent for cash.

#### IMPORT STATISTICS

The imports into the Irish Free State of boxboard containers, millboard and strawboard and cardboard in the piece by countries of origin, for the years 1935 and 1936, were as follows: Containers and parts of cardboard were valued at £89,217 in 1936 as against £99,682 in 1935. Great Britain (£78,015) and Northern Ireland (£7,579) were the chief sources of supply, followed by Germany and the United States. Imports of cardboard and pasteboard in the piece were valued at £213,668 in 1936 compared with £157,573 in 1935. Millboard and strawboard, however, are included in the 1936 figures, which, together with wallboard, were valued in 1935 at £48,318.

Total imports of cardboard and pasteboard in the piece have shown substantial increases during the past two years. The United Kingdom (£105,594 in 1936) is the principal source of supply, being followed by the Netherlands (£32,157), Germany (£24,056), Finland (£23,652), and Sweden (£14,027). Canada (£8,612) is now sixth source of supply; imports in 1935 were valued at £6,913.

#### MINING IN THE STATE OF VICTORIA, AUSTRALIA

Mr. Frederick Palmer, Canadian Trade Commissioner in Melbourne, has transmitted, under date June 1, the following review of the various mining operations in Victoria prepared by Mr. George Brown, Secretary for Mines of the State of Victoria, Australia:—

Since the first important discoveries of gold in Victoria in 1851, the total production to December 31, 1936, has been 71,770,234 fine ounces valued at £305,824,503, calculated at the London monthly price.

#### EXTENT OF GOLD-MINING AREA

Gold mining in Victoria covers a large area of the State, extending throughout the eastern portion known as Gippsland and East Gippsland right through to the New South Wales border, the northeastern districts, the central or midland areas (where the main field of Bendigo is situated), and the western (Ballarat field), and northwestern portions of the State. The actual area occupied for mining purposes held under lease or licence at December 31, 1936, was 155,944 acres, while the total yield for 1936, the best since 1920, was 113,940 fine ounces.

#### STATE ASSISTANCE TO THE INDUSTRY

In addition to the development of mining leases by private capital, approved parties, syndicates, and companies are also assisted financially from funds provided by the Commonwealth and State Governments. This assistance has been operating since 1935, and the total amount allocated to the end of the financial year, June 30, 1938, is £133,700.

Individual prospectors and parties having registered claims are also assisted from State funds. As regards the assistance to individual prospectors which commenced in 1931, this took the form of sustenance up to July 1, 1933, also the supply of mining equipment, and to date the total allocation is £69,100. Since July 1, 1933, however, mining sustenance has been paid through the Sustenance Branch out of Unemployment Relief Funds, and not from funds made available to this department. The number of men assisted in this direction since 1931 to date is approximately 16,000.

In regard to assistance rendered to parties holding registered claims, this is also provided from money made available from Unemployment Relief Funds on the approval of the District Inspector of Mines. It is paid in the form of a grant at the rate of £1 per week to each member of the party. Since its inception in June, 1930, 5,600 advances have been made for an expenditure of approximately £64,000, and in addition, equipment and explosives are also provided on the recommendation of the Inspector of Mines.

Through these two avenues many men have been helped to tide over the depression, and in quite a number of cases have obtained excellent results.

### PEAK REACHED IN 1935

The year 1935 saw gold mining in Victoria at its peak due to the continued high price of gold and the consequent enthusiasm aroused. Increased activity took place on nearly all the major fields such as Bendigo, Castlemaine, Maryborough, and Ballarat. At Chewton, near Castlemaine, about 75 miles northwest of Melbourne, the most important discovery has been made on the old Wattle Gully Gold Mine. This field had not been worked for about fifty years, and after being reopened in 1933 large bodies of payable ore were discovered, and at the present time this mine is the leading gold producer of the State and is paying regular monthly dividends. Its yield for 1936 was 2,553 ounces valued at £21,289.

Bendigo is also experiencing a marked revival through the introduction of English capital to work the big low-grade reefs. During 1936 the highest producers in that field were the Central Nell Gwynne Co. N.L. with 4,324 ounces for £37,862 and the New Red White and Blue Consolidated N.L., which obtained 3,510 ounces valued at £28,430.

Practically all Victorian ores, with the exception of those found in one portion of the State (the eastern and northeastern) are free milling and are suitable for amalgamation, crushing, or cyaniding treatment, and present no difficult metallurgical problem.

Over a large portion of the western part of the State deep leads occur, and extensive exploratory boring has been carried out by the Mines Department in this area. The average depths of the shafts in the deep lead mines are from 100 to 500 feet. On the other hand, quartz mining shafts reach to a depth of 4,000 feet, the deepest shaft in Victoria being that on the Victoria Quartz Mine at Bendigo, which is 4,593 feet deep. In some of the deep lead mines in the Daylesford district (central Victoria) tunnels have reached a length of nearly a mile.

In the early days of mining in Victoria, the utilization of technical, geological, and metallurgical advice was not so widespread or availed of as has been the case in later years. The efficiency and success of such service has been amply demonstrated in recent years by the results obtained.

### RESEARCH WORK

At present, research work is being carried on by the Metallurgical School of the Melbourne University, working under a Federal Government grant, on the treatment of refractory ores in Victoria, and it is almost certain that at least one large plant on the lines being investigated will be laid down in the northeastern portion of the State where these ores contain good values of gold.

### CYANIDE PROCESS

In addition to the extraction of gold by the ordinary processes of amalgamation and crushing, the cyaniding process is extensively used throughout Victoria for the chemical treatment of dumps and tailings. This process, known as



the MacArthur-Forrest process, was first promoted by the Cassel Gold Extracting Company of Glasgow, Scotland, and was introduced into Australia in the early nineties. Owing, however, to the abnormal development of the gold industry in Victoria and the consequent necessity for this mode of treatment, the Government decided to buy the patent rights for Victoria. This was done, and after charging a small royalty to users, which in a few years repaid the purchase price, the cyanide treatment was subsequently available free to all users.

During the last few years the high price of gold has made it profitable to work many of the huge dumps around the various gold fields of Victoria, treatment by cyanide being the procedure. For the year ended December 31, 1936, there were 141 plants in use, the quantity of material treated being 794,640 tons for a yield of 28,565 ounces of gold valued at £207,730.

### DREDGING

Dredging, too, is now playing a prominent part in the production of gold in Victoria. Gravitation hydraulic sluicing is only suitable for the sides of hills or on some elevated spot or place where sufficient fall can be obtained for the tailings and debris brought down by the water to be deposited. A giant nozzle is also employed on the face, and this has the effect of disintegrating the wash, the fine gold being recovered after it has been deposited by gravitation on corrugated or fibre surfaces.

At the present time, apart from a few small dredging plants in the eastern portion of the State, there are three major dredging and sluicing plants in operation in the northeastern district, viz. Cock's Eldorado Dredging Co., which is the largest bucket dredging plant in Australia; Cock's Pioneer Gold and Tin Mines N.L., which is employing hydraulic sluicing (both companies being at Eldorado, near Wangaratta); and Adelong Gold Estates N.L. (bucket dredge), operating near Bright.

In regard to the timbering of mines in this State, no special treatment for the preservation of timber is carried out as suitable timber is plentiful and, owing to the dampness of the soil and the water underground, danger from fire rarely arises.

### MOTIVE POWER

Until recent years the main motive power for the machinery in the gold mines of this State has been steam, but with the commencement of operations by bigger companies, electrically-driven, suction gas, and crude oil machinery are replacing steam for winding, crushing, and pumping purposes.

### PRODUCTION OF OTHER METALS FROM THE ORES

With regard to the production of silver from ore, a few small mines are in operation through the State, but mostly the silver is obtained from the Mint in process of smelting the gold. In 1936, 7,964 fine ounces were treated for a value of £525. The total yield of silver to December 31, 1936, was 1,519,279 fine ounces valued at £233,026.

Tin ore has been, and still is, profitably mined at various places in Victoria, mostly in the eastern and northeastern portions of the State, which are principally hilly and mountainous with an abundance of rivers and mountain streams. During 1936, 85½ tons were obtained valued at £14,750, the total output to the end of that year being 17,317 tons for a value of £1,013,019.

Copper in the form of copper sulphide is found in small proportions on some of the gold fields—viz. in the northeast at Bethanga on the River Murray, in the extreme southeast of the State on Sardine Creek, and in a lode and dyke on Coopers Creek near Walhalla. At Walhalla the copper has been profitably mined, the ores being oxides and carbonates of copper in the upper levels with



sulphides below. In the alluvial deposits in the middle and western portions of Victoria—i.e. around Ballarat, Creswick, Castlemaine—metallic copper has been found. None, however, was mined in 1936. The total production of this ore is 18,740 tons for a return of £218,620.

Zinc sulphide has been found in small quantities in the quartz lodes of many gold fields, and native zinc is reported to have been found at a few places throughout the State, but not in sufficient quantities to mine as a commercial proposition.

## DOMESTIC REFRIGERATION IN SOUTHERN AUSTRALIA

FREDERICK PALMER, CANADIAN TRADE COMMISSIONER

Melbourne, June 7, 1937.—The geographical position of the southern States of Australia suggests a lucrative field for manufacturers of household refrigerating equipment. In recent years many manufacturers, both domestic and foreign, have made profitable attempts to develop this market.

The earliest attempts were made by Australian wholesale distributors, who for their own account purchased refrigerators which generally were made in the United States. Subsequently a more intensive market development was undertaken by foreign manufacturers themselves who covered the market either with resident representatives or through selected wholesale distributors. These distributors, in many cases, also acted as representatives as well as wholesale outlets.

The development of a local refrigerator industry was a natural consequence, and to-day household electric refrigerators are made, or assembled, by several firms in Australia, some of whom are of importance.

The market, however, being entirely domestic, has not required the development of companies exclusively devoted to the production of refrigerators, and the result is that Australian manufacturers of electric refrigerators are not entirely dependent on the refrigerator business, which, as in Canada, is strongly seasonal.

### AUSTRALIAN DESIGN

As is to be expected, Australian refrigeration design follows the better practices as developed in North America, and it appears that Australian manufacturers have each made arrangements concerning design and construction with some foreign producer.

Australian electric refrigerator cabinets are practically all white in colour and generally finished with a coat of baked enamel, although some other protective coatings are available. Refrigerator hardware is reported to be largely chrome-finished and is generally of modern design.

### SIZES

The sizes of electric refrigerators generally sold in Southern Australia are of four recognized cubic contents or capacities. The smallest refrigerator, of 3 cubic feet capacity, is being widely distributed, but apparently in decreasing volume. The next larger size, that is 4.5 cubic feet capacity, is reported to comprise 50 per cent of all retail sales. The next largest size—that is, 5.5 cubic feet—seems to be responsible for 35 per cent of the sales, while the refrigerator with 7 cubic feet makes up for nearly 15 per cent of the total percentage of sales of electric refrigerators in Southern Australia.

It is estimated that Australian production to-day accounts for about 70 per cent of all retail sales, but this percentage is not expected to increase

materially in the future. The importance of the domestic electric refrigerator has a marked influence on prices, and despite the effect on the domestic production of the protective Australian customs tariff, prices are kept remarkably low.

### PRICES

Current retail prices for refrigerators of 4·5 cubic feet capacity average £59 10s. Australian currency. For the next largest size the average retail price appears to be in the vicinity of £65, while the 7-cubic-feet capacity electric refrigerator seems to be available at £75. At times of seasonal sales, however, it is natural to expect lower prices to be realized.

Australian users of refrigerators are tending to insist on those types of machines which are comparatively noiseless in operation and of a system of construction and operation which suggest an absence of servicing problems.

For these reasons there appears to be a growing interest in what are known as "sealed units."

At the moment it is reported that all electric refrigerators presently being assembled in Australia use sulphur dioxide as a refrigerant; most of the American refrigerators seem to have changed to methyl chloride. It is quite possible that the use of methyl chloride in Australia will develop shortly.

### CANADIAN CONTENT

A number of Canadian manufacturers are marketing their household electric refrigerators in Australia and there is a strong demand from Australian firms of high standing to act as distributors. One point should be borne in mind by Canadian manufacturers contemplating the Australian field, and that is the requirement of the Australian customs tariff that Canadian content must be at least 75 per cent.

Canadian manufacturers who feel they can meet this requirement, and are not already represented in Australia, are recommended to investigate the possibilities of this market, and in the first instance to communicate with the Canadian Trade Commissioners at Sydney and Melbourne.

### TARIFF

In connection with the retail price quoted above, it should be remembered that electric household refrigerators imported from Canada are dutiable under the Australian customs tariff as follows, and that while some distributors can operate on a cash-against-documents basis, other manufacturers find a wider market by offering 30 days terms.

	British Preferential (to Canada)	General Tariff
Refrigerators and refrigerator parts . . . . .ad val.	55% (60½% net)	75% (82½% net)

As 10 per cent is added to the invoice value before the duty is computed thereon, the actual net duty is shown in parentheses. In addition, there is a primage duty of 5 per cent under the British preferential schedule and 10 per cent under the general.

The British preferential schedule is further favoured by the exchange adjustment proposals which at current rates of exchange provides for a reduction of one-quarter of the amount of the duty or 12½ per cent off the value for duty, whichever is the less. In order to enjoy the benefits of the British preferential tariff, electric refrigerators when imported into Australia from Canada must be able to qualify for not less than 75 per cent Canadian labour and/or material content.



SUMMARY OF THE TRADE OF CANADA: MONTH, FIVE MONTHS, AND TWELVE MONTHS ENDING MAY, 1937

(Compiled by External Trade Branch, Dominion Bureau of Statistics)

Main Groups	Month of May, 1937				Five months ending May, 1937				Twelve months ending May, 1937			
	From United Kingdom		From United States		From United Kingdom		From United States		From United Kingdom		From United States	
	Total Imports	\$	\$	\$	Total Imports	\$	\$	\$	Total Imports	\$	\$	\$
<i>Imports for consumption</i>												
Agricultural and Vegetable Products.....	14,331,522	1,971,261	4,156,921	51,075,790	7,859,416	18,107,877	134,398,668	18,399,218	39,755,248			
Animals and Animal Products.....	20,776,645	589,085	1,127,725	14,431,916	2,896,141	6,291,902	29,263,765	5,506,943	12,688,984			
Fibres, Textiles and Textile Products.....	10,376,663	4,597,333	3,879,077	51,332,486	22,399,154	26,591,920	109,801,900	48,165,985	39,245,051			
Wood, Wood Products and Paper.....	21,883,680	3,365,987	2,188,503	13,125,434	1,465,251	10,836,250	30,064,157	3,902,497	23,985,858			
Iron and its Products.....	21,862,967	3,631,552	17,600,381	82,108,633	4,465,725	70,565,160	162,485,320	23,985,879	132,876,378			
Non-Ferrous Metals and their Products.....	4,383,331	637,690	2,912,189	17,588,631	2,660,655	12,633,143	38,735,234	6,190,616	26,477,662			
Non-Metallic Minerals and their Products.....	12,292,044	1,271,667	8,813,526	43,527,853	3,383,551	121,178,109	12,747,286	90,896,593	26,477,662			
Chemicals and Allied Products.....	3,659,372	812,177	2,116,597	14,348,681	2,930,465	8,776,145	34,213,942	7,300,530	20,001,092			
Miscellaneous Commodities.....	4,227,230	586,788	3,044,007	17,337,581	2,420,559	12,837,725	43,990,143	31,234,447	31,234,447			
Total Imports, 1937.....	76,707,454	14,483,550	45,839,426	305,147,005	56,140,912	192,153,258	704,131,238	133,343,391	417,161,613			
1936.....	59,120,840	12,032,375	33,563,680	236,206,611	45,768,785	144,347,721	572,880,458	119,591,729	327,514,530			
1935.....	54,539,747	12,358,649	28,256,208	213,640,704	43,147,283	129,749,795	525,906,243	112,281,659	303,554,295			
<i>Exports (Canadian Produce)</i>												
Agricultural and Vegetable Products.....	21,469,861	10,439,903	4,954,803	85,074,839	45,309,936	17,473,299	339,451,456	181,880,088	75,108,103			
Animals and Animal Products.....	11,663,164	6,213,294	4,103,042	58,790,062	29,908,266	21,883,235	136,938,715	75,884,913	45,871,776			
Fibres, Textiles and Textile Products.....	1,202,603	444,562	119,650	5,181,597	1,200,037	963,868	13,367,776	2,622,004	3,062,519			
Wood, Wood Products and Paper.....	21,693,513	3,452,297	15,415,686	94,413,900	13,593,114	68,083,853	232,177,877	37,846,340	160,343,343			
Iron and its Products.....	5,199,181	1,238,042	683,683	24,955,404	6,096,647	2,566,547	55,626,890	13,717,409	6,254,963			
Non-Ferrous Metals and their Products.....	31,352,150	11,701,398	14,932,086	114,277,083	37,506,725	57,321,947	243,484,911	80,122,497	123,979,563			
Non-Metallic Minerals and their Products.....	2,743,775	252,284	1,623,496	11,085,618	888,969	7,898,754	27,604,108	2,833,527	18,156,632			
Chemicals and Allied Products.....	2,456,098	510,777	1,187,192	10,285,364	2,163,969	5,379,471	20,402,549	4,586,091	9,253,652			
Miscellaneous Commodities.....	1,717,008	375,983	936,137	6,310,323	1,370,672	3,518,687	15,898,057	3,113,483	9,949,819			
Totals, 1937.....	99,497,353	34,628,540	43,955,775	410,374,195	138,038,162	185,089,661	1,084,952,339	412,606,282	451,380,370			
1936.....	83,819,751	34,253,232	28,546,779	340,627,291	125,262,865	140,373,858	877,461,885	333,248,857	368,939,875			
1935.....	65,498,251	25,454,263	26,007,920	288,449,520	98,911,050	130,003,719	764,354,646	292,367,139	310,509,773			
<i>Exports (Foreign Produce)</i>												
Totals, 1937.....	2,079,282	195,883	1,613,434	6,575,937	596,686	5,421,047	15,296,132	1,127,802	12,991,587			
1936.....	695,715	103,110	525,569	3,976,324	387,275	3,311,254	13,110,124	899,130	11,469,895			
1935.....	846,621	107,600	678,932	3,925,145	305,467	3,376,116	8,117,673	793,500	6,672,072			
<i>Excess of Imports (i) or all Exports (e)</i>												
Totals, 1937.....	(e) 24,869,181	(e) 20,340,873	(i) 270,217	(e) 111,803,127	(e) 82,493,936	(i) 1,642,550	(e) 396,117,233	(e) 280,390,693	(e) 47,210,344			
1936.....	(e) 25,394,026	(e) 22,332,967	(i) 4,491,332	(e) 108,397,004	(e) 79,881,355	(i) 1,162,609	(e) 317,691,551	(e) 214,856,258	(e) 52,595,240			
1935.....	(e) 11,805,125	(e) 13,203,214	(i) 1,569,356	(e) 78,733,961	(e) 56,069,234	(e) 3,630,040	(e) 246,566,076	(e) 180,578,980	(e) 13,627,550			



## TRADE OF THE GAMBIA COLONY IN 1936

H. L. BROWN, ASSISTANT TRADE COMMISSIONER

[It is expected that an officer of the Commercial Intelligence Service will visit West Africa early in 1938, and exporters interested in that market who may desire to have investigations made on their behalf are requested to communicate at an early date with the Department of Trade and Commerce, Ottawa.]

London, June 22, 1937.—The public finance of the Gambia Colony has shown a credit balance since 1931; the expenditure in 1935 was £194,669, and the revenue was £245,485. The revenue found its origin largely in customs duties, which accounted for £174,014; in 1936 it increased to £185,621.

### CUSTOMS TARIFF

The import tariff rates are ad valorem or specific. There is a two-column tariff providing general rates and British preferential rates, which latter are enjoyed by Canada; in addition there are special duties of up to 75 per cent on Japanese goods such as apparel of certain types, footwear, bicycles and tricycles, cement, cotton goods in fixed categories, haberdashery and headwear, galvanized iron sheets, paints and colours, silk, and a few others.

Except those specially provided for, the duties are 10 per cent preferential and 12½ per cent general. The exceptional preferential duties of chief interest to Canadian exporters, with general duties within parentheses, are:—

Biscuits, bread, and cakes, fancy or sweetened, per 100 lbs., 16s. (£1); unsweetened, 8s. (10s.); not tinned ("trade" biscuits), 3s. (5s.).

Boots, etc., wholly or partly of rubber, etc., but uppers not of leather, per pair, 4d. (6d.) (Japanese, 2s. 6d.); other, 10 per cent (12½ per cent) (Japanese, 50 per cent).

Cheese, per 100 lbs., 16s. (£1).

Calcium carbide, per 100 lbs., 8s. (10s.).

Other chemicals (not dyes), 10 per cent (12½ per cent).

Fish, canned or otherwise preserved in bottles, etc., per 100 lbs., 10s. (15s.); dried, salted or smoked, pickled, 8s. (10s.).

Fruit, dried, canned, etc., per 100 lbs., 8s. (10s.).

Grain, other than rice, per 100 lbs., 1s. (1s. 3d.).

Flour, wheaten, per 98 lbs., 1s. (2s. 6d.).

Farinaceous preparations, such as macaroni, etc., per 100 lbs., 1s. (1s. 3d.).

Milk, condensed, dried, etc., sweetened, per 100 lbs., 16s. (£1); unsweetened, 8s. (10s.).

Rubber manufactures: tires, 5 per cent (25 per cent); other, 10 per cent (12½ per cent).

Spirits: potable, mainly at £1 5s. per gallon (£1 10s.); 50° Tralles, rates to be higher or lower according to strength.

Tobacco: manufactured, per lb., 4s. or 5s. (5s. or 6s. 3d.); unmanufactured, 1s. (1s. 3d.).

Vegetables, canned, dried, etc., per 100 lbs., 8s. (10s.).

Wood and timber: manufactured, 10 per cent (12½ per cent); hard woods, per 1,000 super. feet, £1 5s. (£1 10s.); sawn or hewn, undressed, per 1,000 super. feet, £1 (£1 5s.); wholly or partly dressed, £1 1s. (£1 6s.).

Agricultural and mining machinery and a number of other commodities calculated to be used for the development of the colony are admitted free of duty.

### EXPORTATIONS

The total value of exports, exclusive of specie, was £445,404 in 1936 as compared with £392,724 in 1935, an increase of 13 per cent; of this total, groundnuts (peanuts) accounted for £427,317, or nearly 96 per cent. The distribution of the groundnut trade was: Holland, 25.5 per cent; Denmark, 22.5 per cent; Belgium, 20.8 per cent; United Kingdom, 18.2 per cent; Germany, 12.5 per cent; other countries, 0.5 per cent.

## IMPORTATIONS BY COUNTRIES

The following table indicates the total importations by main groups in 1936, and shows the principal countries of supply (but not necessarily of origin):—

	Food, Drink and Tobacco	Manufactured Articles	Total
Total . . . . .	£189,374	£382,803	£582,267
United Kingdom . . . . .	39,283	265,812	312,128
British Empire . . . . .	121,782	12,828	134,777
India . . . . .	56,964	5,540	62,504
Sierra Leone . . . . .	57,214	773	58,055
Canada . . . . .	5,663	4,770	10,452
Hongkong . . . . .	.....	1,154	1,154
Germany . . . . .	694	34,962	35,660
France . . . . .	8,679	14,853	23,811
United States . . . . .	2,798	12,888	16,775
Belgium . . . . .	2,573	8,591	11,243
Czechoslovakia . . . . .	455	7,969	8,424
Japan . . . . .	36	6,622	6,658
Holland . . . . .	1,289	2,922	4,244

British Empire in this table is exclusive of the United Kingdom, shown separately, and the values for the leading British countries shown are included in the total for the Empire. Raw materials and articles mainly unmanufactured (total value £5,802) and miscellaneous items and parcels post (total value £4,288) are not given separately, but are included in the totals; in any event the United Kingdom provided the greater part.

## IMPORTATIONS BY PRINCIPAL COMMODITIES

The total value of imports, exclusive of specie (£200), amounted to £582,267 in 1936, an increase of 20 per cent over the value of £483,287 in 1935. In 1935, for the first time in some years, there was an unfavourable balance of trade; the debit balance amounted to £136,863 in 1936. Cotton piece-goods, etc., made up 35 per cent of the total imports in 1936.

The principal articles imported in 1936 (with comparative totals for 1935 within parentheses) were as follows; values are in pounds sterling and quantities are given in United Kingdom standards (e.g. cwt. of 112 pounds):—

*Apparel.*—Total, £9,978 (£8,276): United Kingdom, £6,111; Belgium, £1,684.

*Bags and Sacks.*—Total, 132,728 bags, £3,119 (159,893 bags, £4,616): India, 87,150 bags, £2,389.

*Beer, Ale, etc.*—Total, 12,995 gals., £2,317 (17,389 gals., £3,070): United Kingdom, 10,620 gals., £1,962.

*Biscuits, Bread, and Cakes.*—Total, 2,014 cwts., £3,401 (1,449 cwts., £2,558): United Kingdom, 1,676 cwts., £2,900.

*Boots, Shoes, etc.*—Total, 38,395 pairs, £3,395 (44,094 pairs, £4,138): Czechoslovakia, 29,042 pairs, £1,807; Morocco, 2,976 pairs, £850.

*Cement.*—Total, 1,442 tons, £3,062 (1,210 tons, £2,691): United Kingdom, 1,150 tons, £2,658.

*Cotton Piece-goods.*—Total, 8,783,880 square yards, £184,327 (5,653,778 square yards, £118,292): United Kingdom, 8,071,667 square yards, £166,609.

*Cotton Manufactures, Other.*—Total, £14,422 (£16,951): United Kingdom, £4,900; Switzerland, £3,504.

*Cotton Yarn.*—Total, 197,419 lbs., £15,048 (89,816 lbs., £6,542): United Kingdom, 180,933 lbs., £13,823.

*Flour, Wheaten.*—Total, 13,877 cwts., £8,962 (19,168 cwts., £10,637): United Kingdom, 4,517 cwts., £3,427; Canada, 3,699 cwts., £2,762 (3,237 cwts., £2,314 in 1935); France, 5,639 cwts., £2,760.

*Hats and Caps.*—Total, 6,549 (£6,857): France, Germany, United Kingdom, etc.

*Kola Nuts.*—Total, 29,492 cwts., £46,188 (29,296 cwts., £52,035): Sierra Leone.

*Lumber.*—Total, 333,097 super. feet, £4,613 (294,024 super. feet, £3,733): United Kingdom, 93,708 super. feet, £2,011; Sweden, 122,481 super. feet, £1,079; United States, 77,919 super. feet, £1,053.

*Medicines and Drugs.*—Total, £4,499 (£5,184): United Kingdom, £3,670.

*Metals, All Kinds.*—Total, £32,333 (£13,592): Germany, £14,763; United Kingdom, £12,044; Belgium, £2,762.

*Motor Cars and Trucks.*—Total, 65 units, £8,628 (50 units, £4,924): Canada, 29 units, £4,221; United Kingdom, 20 units, £3,072; United States, 13 units, £1,018.

*Oils, Edible, Other than Palm Oil.*—Total, 70,795 gals., £9,774 (64,162 gals., £8,378): United Kingdom, 51,191 gals., £7,134; Manchuria, 12,838 gals., £1,679.

*Oil, Palm.*—Total, 97,065 gals., £7,542 (86,427 gals., £5,668): Sierra Leone.

*Oils, Motor Spirit.*—Total, 131,313 gals., £5,466 (189,579 gals., £7,746): United States, 81,821 gals., £3,262.

*Oil, Kerosene.*—Total, 50,711 gals., £2,046 (59,280 gals., £2,481): United States, 34,171 gals., £1,366.

*Rice.*—Total, 149,562 cwt., £58,934 (142,690 cwt., £55,829): India.

*Soap (not Toilet).*—Total, 7,488 cwt., £7,881 (4,433 cwt., £4,402): United Kingdom, 7,026 cwt., £7,423.

*Spirits, Potable.*—Total, 2,835 gals., £2,863 (3,275 gals., £3,326): United Kingdom, 2,491 gals., £2,461.

*Sugar.*—Total, 19,331 cwt., £13,460 (15,928 cwt., £11,694): United Kingdom, 11,005 cwt., £7,993; France, 3,979 cwt., £3,122.

*Tobacco.*—Total, 180,711 lbs., £12,139 (213,368 lbs., £14,908): United Kingdom, 31,118 lbs., £6,977; Canada, 63,834 lbs., £2,633; United States, 71,096 lbs., £1,927.

## FISH MEAL MARKET IN THE NETHERLANDS

W. G. STARK, ACTING TRADE COMMISSIONER

(One florin—fl.—or guilder equals \$0.55 at present rate of exchange; prior to devaluation on September 26, 1936, it equalled approximately \$0.67. One metric ton equals 2,205 pounds; one kilo equals 2.205 pounds.)

Rotterdam, June 24, 1937.—Importers of fish meal into Holland are at present dealing with offers from both European and Asiatic suppliers. Quotations received from these sources are considerably under what may be anticipated in the forthcoming season from both Canada and the United States, so that prospects for shipments from the Pacific Coast during 1937 are not encouraging.

Stocks on hand are not large but are sufficient to meet the rather poor demand. What fish meal is in store is of rather inferior quality.

The source of imports during the last year and a half has tended to shift, with increasing arrivals from European sources and latterly with additional supplies from Japan, all to the detriment of United States and Canadian shippers on the Pacific Coast.

### IMPORTS

The total trade in fish meal during the last three years is reproduced in the table below, particulars of imports during 1935 and 1936 also being listed for purposes of comparison:—

Total Imports		Metric Tons		Florins	
1934	..	..	..	26.336	2,118,030
1935	..	..	..	11.908	805,877
1936	..	..	..	17.988	1,203,124
		1935		1936	
Country of Origin		M. Tons	Fl. 1,000	M. Tons	Fl. 1,000
Total	..	11,908	806	17,988	1,203
Belgium	..	172	14	383	27
Great Britain	..	1,040	82	1,339	99
Norway	..	908	64	7,322	462
Japan	..	554	35	560	43
Canada	..	1,088	71	1,085	77
Argentina	..	489	30	749	39
United States	..	7,640	509	1,998	139
Sweden	..	.....	...	1,166	85
Portugal	..	.....	...	355	21
Iceland	..	.....	...	3,002	209



As will be noted from the foregoing, there was an increase in 1936. This was not unexpected, as imports in 1935 were the lowest effected during the previous eight years. Arrivals in 1936, however, did not reach the totals of either 1933 or 1934.

In 1936 Norway and Iceland were the leading suppliers, followed by the United States, Great Britain, Sweden, and Canada; in 1935 principal imports were derived from the United States, Canada, and Great Britain in the order named.

The extraordinary situation prevailing on the Pacific Coast last year is to a great extent responsible; and Norway, which in the immediately preceding years had concentrated on the German market due to favourable clearing terms, was again freely offering supplies in 1936 to Holland.

This tendency has been continued during the first five months of 1937. The table below details imports for the five-month period of both 1936 and 1937, and from the figures appended the large share of the trade now enjoyed by Japan is also self-evident:—

*Imports of Fish Meal into the Netherlands by Countries, January-May, 1936 and 1937*

Country of Origin	Jan.-May, 1936		Jan.-May, 1937	
	M. Tons	Fl. 1,000	M. Tons	Fl. 1,000
Total . . . . .	7,446	477	8,336	756
Great Britain . . . . .	508	31	1,502	156
Norway . . . . .	3,437	213	2,332	212
Sweden . . . . .	455	33	526	53
Japan . . . . .	175	11	1,348	127
Canada . . . . .	777	54	92	7
Argentina . . . . .	347	18	432	32
United States . . . . .	1,643	110	85	9
Belgium . . . . .	....	...	356	29
Portugal . . . . .	....	...	895	65
Iceland . . . . .	....	...	738	63

Norway, Great Britain, and Japan, in the order named, are the principal suppliers. In the first five months Japan has already shipped over twice the quantity she forwarded in 1936, at roughly three times the value of 1936 imports. Portugal occupies fourth place. Most of the fish meal credited to Belgium is of Portuguese origin, but ground in Antwerp. This is made more of fish offal and is an inferior grade with a low—approximately 40 per cent—protein content.

Entries of fish meal into Holland are now effected more readily because of the abolition of the monopoly tax or duty formerly collected on all imports. This tax was reduced from fl. 1.50 per 100 kilos to fl. 0.75 per 100 kilos on November 25, 1936, and cancelled on February 1, 1937. Netherlands dealers, however, are still required to apply for import permits.

#### PRICE SITUATION

Present offers confirm that there will be little likelihood of business being done in Canadian meals. For white fish meal, both English and Dutch, offers are around \$65 per long ton; United States East Coast offers are running at about \$76 per long ton. In competition with the West Coast meal, Japan is offering a so-called sardine meal with a protein content of about 60 per cent at about \$50 per long ton c.i.f. Rotterdam. Fresh herring meal from Norway, with 65 per cent protein, is quoted at around \$58 per metric ton; the 60 per cent protein meal averages around \$54. Icelandic herring meal of good quality can be obtained at approximately the same levels.

Offers of United States sardine and herring meal are scarce; one or two tentative offers have been put in by shippers at about \$60 per long ton c.i.f.

Rotterdam, but as this is considerably above Scandinavian quotations, little attention has been paid by dealers here.

The market generally is not strong. Fish meal imported into Holland is intended for poultry and hog raising, branches of agriculture that continued depressed during 1936. Although exports of pork, pork products, and eggs have increased somewhat during the first five months of 1937, farmers are still tending to use as cheap feeding materials as possible.

## EXTERNAL TRADE OF GREECE IN 1936

HENRI TURCOT, CANADIAN TRADE COMMISSIONER

(Drachmae 110 are equal to about \$1)

Cairo, June 14, 1937.—The following table shows the values of the imports into and exports from Greece for the years 1936 and 1935, together with the trade balance:—

	1936	1935	Difference
	Drs. 1,000	Drs. 1,000	Drs. 1,000
Imports . . . . .	11,808.884	10,681.388	+ 1,127.496
Exports . . . . .	7,371.143	7,101.289	+ 269.854
Trade balance . . . . .	— 4,437.741	— 3,580.099	+ 857.642

As usual, the adverse balance of trade was largely offset by such invisible assets as remittances from Greeks living abroad, shipping, transit traffic, revenue derived from the tourist trade, etc.

### IMPORTS AND EXPORTS

Appended is a table giving Greece's imports and exports in 1936 and 1935 under the commodity groups appearing in the Greek official statistics:—

Commodity Group	1936		1935	
	Imports	Exports	Imports	Exports
	Figures in Million Drachmae			
Total . . . . .	11,808.8	7,371.1	10,681.3	7,101.2
Livestock and fishery . . . . .	764.9	69.6	819.8	43.0
Agricultural products . . . . .	2,482.7	5.7	1,896.0	3.2
Vegetable products and colonial goods . . . . .	221.0	5,125.3	215.3	5,199.8
Oils and oil seeds . . . . .	102.0	612.7	133.6	713.5
Spirituuous drinks . . . . .	3.9	208.4	3.6	200.7
Sugar and confectionery products . . . . .	327.3	8.2	303.4	7.4
Leather and leather goods, skins . . . . .	288.7	344.5	243.5	146.7
Forest products, and articles of wood . . . . .	549.9	177.9	645.1	199.4
Minerals . . . . .	1,122.3	379.7	1,020.6	228.3
Metals and metal goods . . . . .	1,718.6	54.3	1,592.3	44.4
Scientific and musical instruments . . . . .	250.7	2.3	234.9	3.3
Pottery and glassware . . . . .	121.0	6.4	112.3	18.6
Chemical and pharmaceutical products . . . . .	594.8	74.0	523.4	55.2
Perfumery and soap . . . . .	19.8	7.0	18.0	10.6
Colour and tanning matter . . . . .	142.1	68.3	143.4	53.5
Paper and paper goods . . . . .	301.4	4.1	271.3	10.6
Rubber and rubber articles . . . . .	52.1	0.2	53.1	0.2
Textiles . . . . .	2,058.5	160.9	1,968.1	123.9
Sports goods and toys . . . . .	11.8	0.1	9.2	0.04
Hats, and hatters' sundries . . . . .	18.3	0.5	24.6	0.1
Vehicles . . . . .	324.7	1.2	264.7	0.7
Arms and explosives . . . . .	218.2	0.06	103.8	0.1
Naval constructions . . . . .	55.9	0.6	12.2	1.0
Miscellaneous . . . . .	58.3	48.1	62.9	35.8

As is apparent from the above, imports showed increases in seventeen groups and declines in seven, while exports indicated advances in sixteen groups and decreases in eight.

The principal individual imports are wheat, maize, rice, sugar, raw hides, lumber, coal, wrought iron, textiles, hardware, machinery, and motor vehicles.

Imports of wheat—a product of particular interest to Canadian trade—amounted to 457,068 tons valued at drs. 1,915,231,176 (\$17,411,192) in 1936,



against 442,897 tons assessed at drs. 1,399,592,430 (\$12,723,567) in 1935; they were distributed as follows, the figures for 1935 being within parentheses:—

Algeria, 7,875 tons, drs. 29,256,251 (13,457 tons, drs. 41,958,112); Argentina, 34,256 tons, drs. 131,019,067 (311,027 tons, drs. 969,589,978); Australia, 80,104 tons, drs. 327,754,924 (nil); Russia, 69,573 tons, drs. 276,330,909 (71,867 tons, drs. 247,819,559); United States, 1,499 tons, drs. 6,382,864 (nil); Canada, 154,121 tons, drs. 669,725,326 (1,342 tons, drs. 5,360,500); Cyprus, 1,203 tons, drs. 5,289,440 (336 tons, drs. 1,495,034); French Morocco, nil (34,936 tons, drs. 103,494,961); Uruguay, nil (5,745 tons, drs. 18,162,700); Roumania, 27,223 tons, drs. 103,968,708 (nil); Turkey, 790 tons, drs. 4,144,066 (582 tons, drs. 2,166,528); and other countries, 80,424 tons, drs. 361,359,621 (3,605 tons, drs. 9,545,058).

Germany (drs. 2,674,353,000) was the chief source of supply in 1936, followed by the United Kingdom (drs. 1,838,711,000), United States (drs. 845,891,000), Yugoslavia (drs. 691,959,000), Canada (670,263,000), Roumania (drs. 633,727,000), and Russia (drs. 551,616,000).

The chief exports from Greece are tobacco, currants, spirituous drinks, olive oil, and olives. In 1936 the main destinations of Greek products were, in order of importance, Germany, the United States, the United Kingdom, Portugal, France, Holland, Sweden, Yugoslavia, Egypt, Austria, and Czechoslovakia.

#### TRADE WITH CANADA

According to Greek figures, imports from Canada amounted to 154,165 tons valued at drs. 670,263,000 (\$6,093,300) in 1936, as compared with 1,342 tons estimated at drs. 5,619,000 (\$51,082) in 1935, an advance of 152,823 tons and of \$6,042,218. Exports to the Dominion totalled 509 tons valued at drs. 4,988,000 (\$45,345) in 1936, against 126 tons placed at drs. 1,997,000 (\$18,155) in 1935, an increase of 383 tons and of \$27,190. Imports of wheat from the Dominion having amounted to \$6,088,412 in 1936 and to \$48,732 in 1935, this product represents almost exclusively Canadian shipments to Greece. The striking advance observed in 1936 was due to shortage of supplies in some wheat-producing countries. (The quantity of Canadian wheat to be imported at the minimum rate of duty is decided upon by the Greek Government.)

### UTILIZATION OF EXCHANGE PROFITS IN ARGENTINA

J. A. STRONG, CANADIAN TRADE COMMISSIONER

Buenos Aires, June 16, 1937.—The Argentine Government have derived revenue amounting to 325,500,000 pesos or the equivalent of \$108,500,000 (Canadian) from the operation of their official foreign exchange control system from its inception in November, 1933, to the end of 1936. The margin of profit arises from the spread between the rate paid exporters for bills of exchange and the variable selling rates to importers and other buyers of exchange. There is an additional source of income from a surcharge levied on excess imports from countries such as Canada with which Argentina has normally an unfavourable balance of payments. This surcharge yielded a revenue of 20,565,800 pesos in 1936, and is the basis of their preferential trade policy which effectively favours imports from countries which are good customers of Argentina.

#### DISTRIBUTION OF EXPENDITURES FROM EXCHANGE PROFITS

This gross profit of 325,500,000 pesos had been drawn upon to the amount of only 133,200,000 pesos at the end of 1936. The expenditures from exchange profits were distributed as follows:—

- (a) The Argentine Government used 115,189,000 pesos to cover the difference between the old par rate of 11.45 and the current rate of 15 pesos to the pound sterling on official remittances abroad in cover of the public debt services, armament purchases, and other official payments. The debt services alone took 85,055,600 pesos.



- (b) The Grain Regulating Board sustained a net loss of 2,434,400 pesos paid from exchange profits, of which 2,325,700 pesos or approximately \$775,000 was incurred in respect of wheat, in maintaining guaranteed minimum prices to producers. This loss was incurred over a period of twenty-six months on gross purchases of grain aggregating 356,373,500 pesos or a loss of 0.65 per cent. The guaranteed minimum prices are now suspended.
- (c) The Dairy Regulating Board took 5,600,000 pesos direct from exchange profits, but actually dairy producers were paid bonuses amounting to 11,300,000 pesos. The difference was derived from a special concession in the exchange rate for dairy export bills.
- (d) The Meat Board spent 3,000,000 pesos, or approximately \$1,000,000, from the exchange fund towards stimulating meat exports.
- (e) The Cotton Board had 1,200,000 pesos. The cotton-growing industry has been expanding rapidly in recent years.

#### EXPENDITURES EARMARKED FROM EXCHANGE PROFITS

The Argentine Government still held a balance of 192,300,000 pesos from exchange profits at the end of 1936. Profits are estimated officially at only 50,000,000 pesos for 1937 as the profit margin was reduced some months ago. It is announced that expenditures earmarked from exchange profits for this year, although certain expenditures will carry over to subsequent years, will be as follows:—

- (a) The Grain Elevator Commission will receive 100,000,000 pesos from the fund towards the construction of terminal and country grain elevators. Contracts have been awarded already for six new terminal elevators.
- (b) A reserve amounting to 45,000,000 pesos will be set up against the Government subsidy being paid in respect of meat exports to the United Kingdom. This subsidy is limited to a maximum of 15,100,000 pesos, or approximately £1,000,000 sterling, annually. The subsidy payments were started in December of last year at the rate of 1.65 pesos per £1 sterling or 15 pesos value of meat exported to the United Kingdom. It has been reduced since in two stages from 1.65 to 0.8225 pesos due to rising cattle prices. The subsidy was supposed to cover one-third of the United Kingdom export duty on meats established last year.
- (c) It is estimated that 30,000,000 pesos will be required during 1937 to pay differences in exchange as was charged last year in respect of Government remittances abroad.
- (d) It is understood that the Government has used already 87,300,000 pesos to cover differences in exchange on the \$105,000,000 United States of the external debt which has been redeemed to date. Consequently nearly one-third of the debt redemption has been financed from exchange profits.
- (e) It is reported that the Argentine Government has promised to allot 50,000,000 pesos, or nearly \$16,500,000, from exchange profits to finance the construction or purchase of a meat-packing plant for the live-stock producers' organization established here two years ago. This body is already an important factor in the live-stock and meat trade here, and has its own export selling organization. It has to have its live stock slaughtered at present under contract with the private packers.

It will be seen that Argentina has definite commitments—already made or in view—in excess of exchange profits now on hand and anticipated to the end of 1937 to the amount of 40,000,000 pesos. It is quite possible, of course, that the balance of the funds required for these specific purposes could be obtained from other sources of revenue, although these developments would seem to indicate that Argentina plans to continue for the present her policy of conceding trade preferences to particular countries.

## ECONOMIC CONDITIONS IN PANAMA IN 1936

R. A. CAMERON, ASSISTANT TRADE COMMISSIONER

### II. Agriculture, Industry, and Mining

#### AGRICULTURE

A determined effort is being made to stimulate and develop certain agricultural and industrial activities in Panama. During the current year the first census of the republic's agricultural resources will be taken, and future governmental assistance will be based on the information obtained. The administrative branch of the Government has been increased from five Ministries to six by the creation of a Department of Labour, Commerce, and Industry, in whose hands has been placed the task of developing Panama's natural resources.

#### DAIRYING

Practically all of Panama's requirements for butter, cheese, and canned milk are imported, but it is the opinion of local authorities that with proper encouragement a healthy dairying industry may be developed. Although Panama has a population of 500,000, the present market for fresh milk and other dairy products is practically confined to the two cities of Panama and Colon with populations of 70,000 and 20,000 respectively.

A contract has been signed with the Nestle's Milk Corporation, under which the company undertakes to build a condensed and evaporated milk canning plant in the interior at a cost of at least \$150,000, and agrees to purchase at a guaranteed price of not less than 4 cents per quart all fresh milk of a suitable quality offered by producers. The domestic sugar industry hopes to benefit by a clause in the contract stipulating that domestic sugar will be used in the condensing process in so far as possible.

As a consideration for the investment to be made, the Government has granted certain concessions to Nestle's Milk Corporation, including an increased protective tariff, and for five years, if the production of the new plant is not sufficient to supply local demand, the corporation are to be permitted to import such quantities of canned milk as may be necessary, at a preferential rate of duty. The success of the project will depend largely on the introduction of good milch herds and the ability of the farmers to find suitable pasturage for them during the dry seasons. As a partial solution of the technical difficulties which will arise, the corporation has agreed to provide free instruction and advice to the producers. The proposed plant should be in operation by the middle of 1938, and it is expected that within five or six years its production will be sufficient to supply the domestic requirements.

#### RICE

The 1936 production of rice totalled 283,931 quintals (100 pounds) or about 78 per cent of the 365,000 quintals required to supply the domestic demand. Of this amount 214,360 quintals were produced under the control of the Department of Agriculture and 69,571 quintals were harvested independently by the *campesinos* or individual farmers using primitive methods.

These satisfactory results may be attributed largely to the efforts of the Department of Agriculture, which in recent years has financed the farmers in purchasing seed, given free instruction and expert aid in planting and cultivating the crop, and installed rice mills in the growing districts where the growers may sell direct or have their produce held for market. An import duty of 6 cents per gross kilo has given the growers a protected market.



## POTATOES

It is only in recent years that Panama has produced potatoes, but as a result of high import duties and governmental assistance the industry is now firmly established and supplies the bulk of the domestic requirements. Imported table potatoes are dutiable at 10 cents per gross kilogram; certified seed potatoes are admitted duty free. Three crops of potatoes are grown annually in the highlands of the interior, the annual production amounting to approximately 1,200 short tons. Growing conditions are difficult owing to soil deficiencies, plant diseases and blight peculiar to the tropics. Farm labour is scarce and expensive, and transportation costs are high. Annual imports of table potatoes into Panama amount to approximately 1,400 short tons, the bulk of which are re-exported to the Canal Zone, probably not more than 150 tons of the imported potatoes being consumed in the republic itself.

## SALT

A prohibitive duty of 15 cents per gross kilogram on salt has so stimulated production that to-day the entire domestic demand of approximately 900,000 pounds is produced locally. The producers in the salt districts are practically an unorganized guild, the business being handed down from father to son. Production is confined to the dry season, during which pits of about 100 feet square are dug to hold sea water, which when evaporated yields approximately 1,000 pounds of salt to each pit. A tax of 50 cents per pit is levied by the Government. In the past producers have received a price as low as 20 cents per 100 pounds, but the Government now propose to organize a "junta" or council to control the business. It is expected that the junta will purchase from the producer at a guaranteed price of \$1 per 100 pounds and sell at \$1.50 per 100 pounds. The 50-cent profit would be used to defray expenses and improve the industry.

## BANANAS

The growing of bananas, which is Panama's leading export crop, is confined to the low-lying areas of the river basins and coastlines. The industry is largely controlled by one company which finances many of the growers and purchases their product. Recently, in certain areas growing difficulties have been experienced due to plant diseases, and in some of these places an attempt is now being made to grow manilla hemp as a substitute crop. Practically the entire production of bananas is exported, although moderate quantities are used locally.

## SUGAR

Sugar of a fair quality is produced and refined locally. Production, which is usually sufficient for domestic requirements, amounted to 66,143 quintals in 1936. Sugar is dutiable at 15 cents per gross kilogram.

## COCOA

Cocoa, which is an important item in the exports of Panama, is cultivated principally in the province of Bocas, where several cocoa plantations have been established. One large fruit company has substituted the growing of cocoa for bananas on land which is no longer suitable for banana growing.

## COCONUTS

At one time Panama exported coconuts in large quantities. Owing to the low prices prevailing coconut growing has not prospered recently, and although there are a few plantations the industry is now practically confined to the small production of individual Indians and natives of the San Blas and Bocas del Toro districts.



## COFFEE

Coffee is produced at an elevation of 4,000 feet in the Province of Chiriqui, which is located on the same cordillera or range as the coffee-growing districts of Costa Rica. There are also small plantations in the Province of Veraguas, although the quality of their product is not as good nor as well graded as that of Chiriqui. Lack of cheap labour and official encouragement have retarded the development of the industry. Recently the Banco Nacional was authorized to give financial assistance to coffee growers by assuming the debts of the growers on the security of a first mortgage on their crop and by forming a group which will take over the growers' properties on a first mortgage and issue preferred stock to them in return. The bank is permitted to accept this stock in payment of existing obligations.

A shortage of cheap labour is the greatest handicap to the coffee industry, but this indication of official interest gives some cause to hope for its future. Meanwhile the Banco Nacional, acting in the capacity of a broker, handles all coffee purchases. Approximately 1,900,000 pounds of coffee were produced in 1936. This was slightly less than the 1935 production and left no surplus for export.

## OTHER INDUSTRIES

Aside from the basic agricultural activities, a number of small manufacturing concerns have been established. During 1936 the three breweries produced a total of 8,717,390 litres of beer or 17 litres (one litre equals 1.76 pint) for each inhabitant. This was an increase of approximately 1,250,000 litres over the 1935 production. There were no exports. Liquor production amounted to 1,335,696 litres as compared with 1,331,306 litres in 1935. Whisky production totalled 93,983 litres. The American types of whisky produced locally enjoy a fair market not only in Panama but also in the United States. The production of wine from tropical fruits totalled 154,875 litres in 1936.

Men's clothing is also produced locally, the trade being confined to a number of small tailoring firms which satisfy the domestic market and export in small quantities.

The availability and cheapness of native hardwoods has encouraged the development of a furniture industry. There are no large factories, but attractive furniture of good quality is made by several small cabinetmakers.

During the past few years a thriving shoemaking industry has become established in Panama. While there are still a large number of small individual shoemakers producing hand-made shoes, in addition there have been established four or five factories with a combined output of approximately 100,000 pairs of shoes a year. Domestic sole leather is used almost exclusively, although uppers and shoe findings are imported.

During 1936 the building trades continued to be active. Building permits issued in Panama City during 1936 amounted to \$1,521,600 as compared with \$788,073 during 1935.

## MINING

There was a considerable increase in gold production in 1936. During the year the only lode mine operating in the republic produced 9.154.86 ounces valued at \$320,419 as compared with an estimated value of \$186,300 in 1935. In addition to this lode production, a considerable amount of gold was extracted by placer mining. No figures are available concerning placer operations, but local mining men estimate that this production exceeds that of the lode mine by approximately 50 per cent. The lode mine mentioned above also produced 5.479 ounces of silver in 1936 with an estimated value of \$2,852; copper production was estimated at 50,000 pounds valued at \$3,032. As this mine has recently been shut down, production is confined now to placer operations.

## OUTLOOK

Panama is one of the few countries in Latin America in which trade is not hampered by quota agreements, exchange restrictions, or currency instability. Speaking generally, the credit risk has been favourable, and in dealing with well-recommended firms foreign exporters have been able to ship on credit terms or a cash-against-documents basis. It is felt, however, that the credit situation may suffer as a result of the concessions which have been granted for gambling. It is difficult to estimate the amount of money being spent in gambling, but local retailers of household appliances and necessities expect slower collections and an increase in uncollectable accounts. It is quite possible that the entire commercial credit structure may be adversely affected in time if gambling becomes excessive.

## ECONOMIC CONDITIONS IN BRAZIL IN 1936

A. DOS REIS CARNEIRO, OFFICE OF CANADIAN TRADE COMMISSIONER

(The average value of the conto of reis in 1936 was \$58; in 1935 it was \$76)

Rio de Janeiro, June 7, 1937.—The year 1936 was for Brazil without doubt, even allowing for unsettled political conditions, the most heartening since 1928. The freeing of exchange in 1935 did much to stabilize the commercial outlook and, although a period of uncertainty was ushered in by the denunciation of existing trade agreements, the commercial year ended on an optimistic note.

Exchange conditions were quiet, with the marked tendency to strengthen throughout the year. In January the average exchange rate was 17·684 milreis to the dollar, which strengthened in December to 16·841 milreis, as against the average for the whole of 1935 of 17·364 milreis.

Of major interest to Canada was the coming into force of the new Brazil-United States trade agreement, which, by virtue of Canada's trade agreement with Brazil, was extended to Canadian exporters with the advantage of the various reductions in customs duties accruing to the agreement.

## FROZEN CREDITS

Another event during the year was the reaffirmation of the Canadian agreement with Brazil. This was followed shortly by the clearing up of Canadian accounts outstanding in Brazil. Generally speaking, the clearing up of these frozen credits has progressed smoothly.

## EXTERNAL TRADE

The increased prosperity in 1936 is clearly indicated by the more favourable foreign trade conditions. Total trade in 1936 was valued at 9,164,102 contos, equivalent to \$566,760,887, as against 7,959,925 contos, equivalent to \$494,170,272 in 1935. Tonnages showed an increase from 6,990,822 in 1935 to 7,576,357 in 1936. This foreign trade was made up of \$246,717,567 for imports and \$320,043,320 for exports, as against \$224,795,657 for imports and \$269,374,615 for exports in 1935. The balance of trade shows a considerable increase from \$44,578,958 to \$73,325,753. This increased favourable balance of trade is of the greatest significance to Brazil. Lacking invisible exports, Brazil must depend on a favourable balance of trade for the payment of all services and all debts accrued not only by virtue of imported goods but for the multitude of other things which make up international balances. A small favourable balance of trade practically presupposes frozen accounts, whereas an adequate balance of trade is a sign of prosperity.







## EXTERNAL DEBT

During 1936 external debt service payments, under the so-called "Oswaldo Aranha" plan, were made regularly to the amount of £7,915,324, being £4,868,151 for federal debts and £3,047,173 for external debts of states and municipalities.

However, the now existent plan for the servicing of the Brazilian foreign debt comes to an end in March, 1938, and it is anticipated that not later than September, 1937, there will be a revision of this plan. The external debts of Brazil, including federal union, states and municipal debts, as on December 31, 1936, amounted to £157,921,736, \$365,603,245, francs 229,185,500 gold, francs 531,490,837 paper, and florins 8,366,000 gold. The whole amount, converted into sterling paper, is equivalent to £249,439,912.

Under the decree signed on February 5, 1934, regulating payments of interest on union, state and municipal debts, the Brazilian Government has to arrange for payment of an average of £7,846,250 paper per annum, for the fiscal years ending April 1, 1935 to 1938 inclusive, or £31,385,000 paper in all, being £57,000,000 less than the full interest.

In 1937 the total expenditure under this scheme will be £8,724,609 paper. It is anticipated that some similar agreement may be made, although suggestions have been received that certain creditors find that more substantial payments could well be made in the face of the improved conditions in 1936.

## BANKING AND FINANCE

Note circulation of Brazil showed an increase in 1936, and as on December 31 the total notes in circulation amounted to 4,029,844 contos as against 3,557,142 contos at the end of 1935. This represents the maximum note circulation for Brazil since the year 1932. Notes of the Bank of Brazil in circulation were to the value of 20,000 contos until March 31, 1936, on which date they were reduced to 10,000 contos, up to November 16, 1936, when they were redeemed.

## BANKING ACTIVITIES

The report of the Bank of Brazil for the calendar year 1936 emphasizes the continuance of internal prosperity which commenced in 1933 and reached a high level in 1935.

The following table gives the yearly average, relative to the various categories of banking deposits, during the years 1935 and 1936:—

	1935	1936
	Contos of Reis	
Deposits made by public departments . . . . .	687,000	770,000
Bank deposits . . . . .	598,000	569,000
Sight deposits, by the public . . . . .	1,280,000	1,166,000
Fixed deposits . . . . .	125,000	107,000
Total deposits . . . . .	2,690,000	2,612,000

The fall in sight deposits, made by the public, is explained by the Bank as due to the fact that during 1936 there was a transformation of commercial deposits to deposits made by public departments to a great amount, owing to liquidation of United Kingdom and United States commercial arrears.

The total for loans and discounts was slightly reduced during 1936, with an average of 3,070,000 contos as against 3,075,000 contos in 1935. Loans to public departments and the National Department of Coffee, taken together, were reduced by 169,000 contos, while loans to banks, farmers, industrialists, commercial firms and individuals showed an increase of 164,000 contos or 18 per cent. Considering only these latter loans, the increase in 1936 over 1935 was 100,000 contos.

The growth observed in 1935 in clearing house operations continued in 1936, during which year 1,437,053 cheques at a value of 25,803,306 contos were paid as against 1,212,152 cheques representing 22,052,575 contos in 1935. Cheques paid in 1936 constitute a record for the last nine years both as regards number and value.

#### STOCK EXCHANGE TRANSACTIONS

Stock exchange transactions during 1936 recorded a marked advance and the average monthly turnover of all stock exchanges was placed at 55,174 contos as against 37,878 contos in 1935. On the basis of 1929, the index for 1936 is 197 as against 142 in 1935. Transactions in 1936 totalled 737,000 contos as against 533,000 contos in 1935, the increase in 1936 being of 204,000 contos or 38 per cent, as follows:—

	1935 Contos	1936 of Reis	Per Cent Inc. or Dec.
Federal bonds . . . . .	216,130	298,999	+ 38
States Public Debt bonds . . . . .	201,969	334,653	+ 66
Municipal Public Debt bonds . . . . .	36,425	28,423	— 22
Shares bearing fixed interest . . . . .	10,306	7,337	— 29

The above figures show that, while transactions in private shares decreased in 1936 as against 1935, those of federal and states internal debt showed a considerable increase.

#### TRANSPORTATION

The electrification, started in 1936, of the Central do Brasil Railway is the most noteworthy improvement in the Brazilian railway system during the last years. This railway is the most important of Brazil. In 1935 the deficit of this railway was over 40,000 contos, which increased in 1936 to over 69,000 contos, mainly due to the increase, amounting to 22,509 contos, in salaries of the railway employees.

While in 1935 only twelve railways produced a profit, amounting to 82,567 contos, in 1936 thirteen railroads operated with a profit, which reached a total of over 90,000 contos. Losses also increased from 58,777 contos in 1935 to 59,506 contos in 1936, the greater part of which, as mentioned above, was for the account of the Central do Brasil railway.

#### AIR TRAFFIC

During 1936 considerable development took place in the Brazilian air traffic. All Brazilian states are at present connected by air lines. A new daily service was inaugurated between Rio de Janeiro and São Paulo and Minas Geraes in 1936.

Distances flown increased from 3,720,240 kilometres in 1935 to 4,689,023 kilometres in 1936, while the number of passengers carried increased from 25,592 in 1935 to 35,190 in 1936.

Mail carried also showed a considerable increase, and in 1936, 118,652 kilograms were carried as against 79,652 kilograms in 1935. Baggage and cargo increased from 486,822 kilograms in 1935 to 631,070 kilograms in 1936.

#### AGRICULTURAL PRODUCTION

The total agricultural production of Brazil, which in 1935 had already reached the highest point attained during the past ten years, showed a further increase in 1936. Tonnage of production increased from 20,417,000 in 1935 to 21,458,000 in 1936; in value the increase was from 9,354,000 contos to 10,895,000 contos.

Although during 1936 foodstuffs, including fodder, showed a further decrease in volume, they showed an increase in value with 17,912,000 tons representing 8,503,000 contos as against 18,446,000 tons at a value of 7,283,000 contos in



1935. The decrease in volume was mostly due to fodder production, which fell from 6,079,000 tons in 1935 to 5,583,000 tons in 1936.

The production of raw material, which showed a considerable increase both in volume and value, increased from 1,970,000 tons (2,071,000 contos) in 1935 to 3,546,000 tons (2,395,000 contos) in 1936.

#### COFFEE

Yearly average prices of coffee in 1935 on the New York market were  $7\frac{1}{2}$  cents per pound for Rio 7 and  $8\frac{7}{8}$  cents per pound for Santos 4. During 1936 these prices increased to  $7\frac{3}{8}$  cents and  $9\frac{3}{8}$  cents respectively. As coffee is Brazil's leading export product, this improvement in prices contributed to the increase in the total value of Brazilian exports in 1936.

However, quantities of coffee exported decreased, and during 1936 Brazil exported 14,185,506 bags at a value of £17,785,000 gold as against 15,328,791 bags valued at £17,373,000 gold in 1935. This decrease in the quantity exported, however, was compensated by the larger value obtained.

The Government, through the National Coffee Department, is very interested in improving the quality of Brazilian coffee. In 1936 the Rio de Janeiro and São Paulo markets together received 11,834,856 bags from the interior as against 13,928,080 bags in 1935. Notwithstanding that the volume in 1935 was greater than in 1936, the percentage of coffee of types 2 to 4 inclusive was higher in 1936, amounting to 7,381,200 bags or 62 per cent, as against 7,795,053 bags or 56 per cent in 1935.

#### COTTON

During recent years cotton has contributed considerably to the increase in Brazilian exports. The yearly average production during the years 1927 to 1930 was of 253,546 tons of cotton in seed and 108,715 tons of raw cotton; in 1936, 784,239 tons of cotton in seed and 336,103 tons of raw cotton were produced, as against 693,714 tons of cotton in seed and 297,306 tons of raw cotton in 1935.

During the period 1927 to 1931 cotton ranked fourth in value of Brazilian vegetable products; in 1932 it was fifth, and in 1936 it moved up to second place, coffee being the first. The following table shows the steady increase in the value of cotton production since 1932:—

Contos of Reis		Contos of Reis	
1932	301,708	1935	1,216,152
1933	364,552	1936	1,450,297
1934	1,048,164		

The increase in the production of cotton was followed by a considerable increase in exports, and in 1936 cotton contributed with £7,455,000 gold or 19 per cent to the total value of Brazilian exports. The able below shows the movement of Brazilian cotton exports for the years 1932 to 1936:—

	Tons	£ Gold
1932	515	25,000
1933	11,693	369,000
1934	126,548	4,666,000
1935	138,630	5,223,000
1936	200,313	7,455,000

#### INDUSTRIAL EXPANSION IN THE STATE OF SÃO PAULO

While there are no industrial statistics available for the whole of Brazil, the State of São Paulo publishes some data concerning the industries of that State, and as São Paulo is Brazil's principal industrial centre, these figures will give an idea of the industrial development of the country. In 1936 the value of industrial production in São Paulo was 3,500,000 contos, the highest since 1924; in 1935 production reached only 2,918,000 contos.



The following table shows the movement of industrial production of the State of São Paulo for the period of 1928 to 1936:—

Contos of Reis		Contos of Reis	
1928 . . . . .	2,281,000	1933 . . . . .	2,060,000
1929 . . . . .	2,159,000	1934 . . . . .	2,346,000
1930 . . . . .	1,897,000	1935 . . . . .	2,918,000
1931 . . . . .	1,954,000	1936 . . . . .	3,500,000
1932 . . . . .	1,944,000		

Production by leading industries during the years 1933 to 1935 was as follows:—

Industries	1933	1934	1935
	Figures in Contos of Reis		
Textiles . . . . .	692,000	804,000	915,000
Clothing . . . . .	288,000	236,000	376,000
Metallurgical . . . . .	262,000	344,000	393,000
Foodstuffs . . . . .	155,000	176,000	220,000
Power, light and gas . . . . .	145,000	148,000	174,000
Chemical . . . . .	144,000	184,000	254,000
Sundry . . . . .	374,000	454,000	586,000

The number of workmen employed increased from 150,800 in 1932 to 213,668 in 1935. This increase becomes still more evident when comparison is made with 1931, in which year there were only 119,296 workers employed. From the above it will be seen that during the last five years the number of workers and the production of the industries of São Paulo doubled. In 1935 invested capital was more than double that of five years ago, increasing from 1,486,000 contos in 1931 to 3,188,000 contos in 1935.

#### BUILDING AND CONSTRUCTION

During 1936 a further expansion in construction took place in Rio de Janeiro, the total number of new buildings being 4,408 as against 3,117 buildings erected in 1935 and 2,260 in 1934. In São Paulo the movement of construction, which in 1935 reached the highest level for the last seven years with 5,267 new buildings, decreased slightly during 1936 to 4,280 buildings erected.

#### CONCLUSION

Figures given in this report clearly show that conditions of the country are improving steadily and rapidly and that a definite growth has taken place in all Brazilian activities.

Agricultural products not only increased in quantity, but also improved in quality. Industrial production also increased, supplying most of the requirements of the domestic market. Notwithstanding the fact that the gold value of exports has not yet reached the high level of the years immediately preceding 1929, it has been much better than it was in 1932. The milreis value of exports and imports was higher than that of 1929. Furthermore, exports of products, as for instance cotton, which previously were small, showed a great increase.

#### PERCENTAGES OF EXPORT TONNAGE

During 1929, 40 per cent of the total tonnage exported by Brazil was made up by coffee and 60 per cent by other export products. In 1936 the percentage of coffee decreased to 27, cotton increased from 1 per cent in 1929 to 6 per cent, while other export products obtained 67 per cent. When comparing the gold value, results are still more eloquent, as during 1929 71 per cent of the total tonnage exported was coffee, 4 per cent cotton, and 25 per cent other export products, while during 1936 percentages were 46 for coffee, 19 for cotton, and 35 for other export products.

#### INCREASE IN VALUE OF EXPORTS

During the past four years Brazil's annual exports increased from \$223,-126,808 in 1933 to \$320,043,320 in 1936, while imports increased from \$169,-861,596 to \$246,717,567. During the same period Brazil's favourable balance of trade increased from \$53,265,212 to \$73,325,753.

## INDUSTRIAL CONTROL IN MANCHUKUO

T. J. MONTY, ASSISTANT TRADE COMMISSIONER

Tokyo, June 10, 1937.—Manchukuo is now entering upon its secondary stage of economic development as a result of steps which are being taken to control its industrial life. Government control of industry in Manchukuo has been functioning in a more or less inadequate way under the Manchukuo Economic Construction Plan since 1933, but as no law definitely marking the limits of that control was issued, misunderstandings and uncertainty led to hesitancy on the part of capital for investment and was thus harmful to industrial development.

In order to allay these fears and to spur a five-year industrial development program, a unified system of industrial control has now been worked out clarifying the scope and character of industrial control. The Industries Control Law came into force on May 1.

The main points of the new law may be briefly summarized as follows: (1) That all major industrial enterprises in Manchukuo must obtain a Government licence. (2) That all major industrial organizations are subject to supervision of operation by the Government. (3) That yearly reports must be submitted to the Government, which is empowered to control and co-ordinate these activities in order to safeguard public interest.

Penalties ranging between 100 and 5,000 yen and also the cancellation of licence are provided for violations of the law.

The industrial enterprises falling under this new control law are specified and comprise mainly the following: arms, aircraft, and motor car, and all related heavy industries such as fuels, iron and steel, etc.; beer, sugar, soda, fertilizer, pulp, cement, match. With respect to coal, textiles, tobacco, flour, and vegetable oil, only large-scale industries fall under control.

All other industries unspecified, except electric power, transportation, and communications, remain free to develop outside of this new control law, and thus a clear line is drawn to distinguish the free from the controlled industries.

Although the above law has no provision linking it with industrial control in Japan, the Industry Department of the Manchukuo Government has pointed out the unity of purpose which governs the industrial development and the control of industry in both Japan and Manchukuo.

Further details concerning this new law can be obtained upon application to the Department of Trade and Commerce, Ottawa.

## TARIFF CHANGES AND CUSTOMS REGULATIONS

### United Kingdom Tariff Changes

The Import Duties (Exemptions) (No. 8) Order, 1937, of the United Kingdom, effective June 18, removes the 10 per cent ad valorem duty up to that date chargeable on non-Empire mother of pearl, trochus, and other hard shells (including fresh water shells) which possess the characteristic nacre of pearl shell, not in any way prepared or worked.

The Import Duties (Exemptions) (No. 9) Order provides for duty-free entry as from June 24 of non-Empire ferro-silicon containing not less than 20 per cent of silicon. Prior to June 24 only ferro-silicon containing not less than 35 per cent of silicon was duty free, other grades being dutiable at 10 per cent ad valorem.

(The above-mentioned shells and ferro-silicon when Empire products within the meaning of the Imperial preference regulations were already duty free.)



### Australian Tariff Decisions

Recent decisions of the Australian Department of Customs as to the classification of articles regarding which question has been raised include the following:—

Band sawing machines, metal working, free of duty under British preferential tariff, 15 per cent ad valorem under general tariff. (Item 174M149.)

Combined surfacing, boring, milling, and drilling machines (metal working); also combined surfacing, boring, milling, drilling, and tapping machines (metal working), free of duty under British preferential tariff, 15 per cent ad valorem under general tariff. (By-law under Item 174Y.)

Cathode drop-type lightning arresters, free of duty under British preferential tariff, 15 per cent ad valorem under general tariff. (Item 179B2.)

Fibreboard knives and holders for holding fibreboard cutting blades during the process of honing, free of duty under British preferential tariff, 15 per cent ad valorem under general tariff. (By-law under Item 219C.)

Canadian goods under the items quoted above, when accompanied by the prescribed certificate of origin and consigned direct to Australia, are entitled to entry under the British preferential tariff. Goods from all countries outside the British Empire are under the general tariff.

### Customs Invoice for Jamaica

With reference to the notice in *Commercial Intelligence Journal* No. 1733 (April 17, 1937), page 630, respecting a new customs valuation law in Jamaica, advice has been received that the information as to "market value" on the Jamaican invoice form is no longer required. The column referring to market value, therefore, may be deleted from the form. The form as published in the *Jamaican Gazette* of December 28, 1933, is otherwise unchanged and the particulars it calls for are to be given.

### Discontinuance of Export Bounty on Calf Skins in the Irish Free State

Mr. James Cormack, Canadian Trade Commissioner in Dublin, advises under date June 21, 1937, that the Irish Free State Department of Agriculture has announced that the existing export bounty on calf skins (10s. per skin) is to be discontinued as from June 27, 1937.

Last year the rate of bounty was also 10s. per skin, and it was discontinued as from May 31 of that year.

### Netherlands Indies Inspection of Pharmaceuticals

Mr. K. F. Noble, Acting Trade Commissioner in Singapore, forwards a translation of a Netherlands Indies Pharmaceutical Materials Inspection Ordinance, effective January 1, 1937, which provides that pharmaceutical materials, preparations and mixtures may be indicated of which the sale or keeping in stock is forbidden unless the object in which they are packed bears an undamaged seal of inspection affixed to it.

Importers of such designated products must notify the Pharmaceutical Inspector of the Public Health Service within three days and an inspection of samples will be made by the Netherlands Indies Pharmacotherapeutical Institute. If the result of the inspection is satisfactory, stamps are affixed to the container in which the goods are packed and sale permitted.

The institute is authorized to retain small quantities of the approved parcels for periodical testing and the date of validity of the inspection seal may be limited.

The products which may be subjected to inspection are not named in the ordinance.

Copies of the ordinance are on file and will be supplied upon request.



**FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING JULY 12, 1937**

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, July 12, and for the week ending Tuesday, July 6, 1937, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending July 6	Nominal Quotations in Montreal Week ending July 12	Official Bank Rate
Austria . . . . .	Schilling	.1407	\$ .1875	\$ .1880	3½
Belgium . . . . .	Belga	.1001	.1686	.1687	2
Bulgaria . . . . .	Lev	.0072	.0129	.0129	6
Czechoslovakia . . . . .	Krone	.0296	.0349	.0350	3
Denmark . . . . .	Krone	.2680	.2214	.2221	4
Finland . . . . .	Markka	.0252	.0219	.0219	4
France . . . . .	Franc	.0392	.0386	.0388	5
Germany . . . . .	Reichsmark	.2382	.4015	.4026	4
Great Britain . . . . .	Pound	4.8666	4.9600	4.9759	2
Greece . . . . .	Drachma	.0130	.0091	.0090	6
Holland . . . . .	Guilder	.4020	.5502	.5508	2
*Hungary . . . . .	Pengo	.1749	.2958	.2961	4
Italy . . . . .	Lira	.0526	.0526	.0527	4½
Jugo-Slavia . . . . .	Dinar	.0176	.0231	.0231	5
Norway . . . . .	Krone	.2680	.2491	.2500	4
Poland . . . . .	Zloty	.1122	.1895	.1897	5
Portugal . . . . .	Escudo	.0442	.0449	.0451	4½
Roumania . . . . .	Leu	.0060	.0073	.0073	4½
Spain . . . . .	Peseta	.1930	.....	.....	5
Sweden . . . . .	Krona	.2680	.2556	.2565	2½
Switzerland . . . . .	Franc	.1930	.2289	.2295	1½
United States . . . . .	Dollar	1.0000	1.0009	1.0018	1½
Mexico . . . . .	Peso	.4985	.2778	.2780	4-5
Cuba . . . . .	Peso	1.0000	1.0000	1.0011	—
Guadeloupe . . . . .	Franc	.0392	.0386	.0388	—
Jamaica . . . . .	Pound	4.8666	4.9700	4.9859	—
Martinique . . . . .	Franc	.0392	.0386	.0388	—
Other British West Indies	Dollar	1.0138	1.0333	1.0366	—
Argentina . . . . .	Peso (Paper)	.4245	.3305	.3316	3½
		<b>Unofficial</b>	.3018	.3011	—
Brazil . . . . .	Milreis (Paper)	.1196	.0656	.0661	—
British Guiana . . . . .	Dollar	1.0138	1.0333	1.0366	—
Chile . . . . .	Peso	.1217	.0517	.0518	4½
		<b>Unofficial</b>	.0417	.0418	—
Colombia . . . . .	Peso	.9733	.5704	.5710	4
Peru . . . . .	Sol	.2800	.2502	.2505	6
Venezuela . . . . .	Bolivar	.1930	.3153	.3156	—
Uruguay . . . . .	Peso	1.0342	.7947	.7957	—
South Africa . . . . .	Pound	4.8666	4.9537	4.9700	3½
Egypt . . . . .	Pound (100 Piastres)	4.9431	5.0850	5.1000	—
China (Shanghai) . . . . .	Dollar	.....	.2966	.2969	—
Hongkong . . . . .	Dollar	.....	.3026	.3032	—
India . . . . .	Rupee	.3650	.3743	.3754	3
Japan . . . . .	Yen	.4985	.2882	.2886	3.29
Java . . . . .	Guilder	.4020	.5523	.5528	—
Siam . . . . .	Baht (Tical)	.4424	.4542	.4562	—
Straits Settlements . . . . .	Dollar	.5678	.5814	.5836	—
Australia . . . . .	Pound	4.8666	3.9675	3.9800	3
New Zealand . . . . .	Pound	4.8666	4.0000	4.0125	2
		<b>* Unofficial:</b>	.1978	.1981	—

The Dominion Bureau of Statistics has supplied the following note:—

Despite continued sales on the part of the French stabilization fund, spot rates on the franc advanced, with only a minor set-back on the 9th. The discount on ninety-day rates at New York widened, however, from 8 points on the 7th to 12½ points on the 12th. Sterling quotations at Montreal opened at \$4.967, declined to \$4.961 on the following day, and then advanced steadily to close at \$4.976. The premium on the United States dollar moved down for 0.22 of 1 per cent to 0.19 of 1 per cent during the week. As the margin between London and New York prices of gold narrowed, shipments from London became almost negligible.

## TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

### Secretary, Board of Trade—

Saint John, N.B.  
Halifax, N.S.  
Quebec, P.Q.  
Montreal, P.Q.  
Toronto, Ont.

Chatham, Ont.  
Kitchener, Ont.  
Stratford, Ont.  
Woodstock, Ont.  
St. Mary's, Ont.

Portage la Prairie, Man.  
St. Boniface, Man.  
Winnipeg, Man.  
Vancouver, B.C.  
New Westminster, B.C.

### Secretary, Chamber of Commerce—

Sherbrooke, P.Q.  
Kingston, Ont.  
Oshawa, Ont.

Belleville, Ont.  
Peterborough, Ont.  
London, Ont.

Hamilton, Ont.  
Victoria, B.C.  
Prince Rupert, B.C.

Border Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

### Secretary, Canadian Manufacturers Association—

Toronto, Ont.  
Montreal, P.Q.

Winnipeg, Man.  
Edmonton, Alta.

Vancouver, B.C.  
Victoria, B.C.

The Maritime Provinces Trade Commissioner, 122 Federal Building, Toronto, Ont.

The Bureau of Provincial Information, Victoria, B.C.

**Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.**

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Foodstuffs—</b>			
Dairy Salt.....	478	Auckland, New Zealand...	Agency.
<b>Miscellaneous—</b>			
Boys' Suits.....	479	Auckland, New Zealand...	Agency.
Textiles in Bolts—Crepes, Satins, etc.	480	Wellington, New Zealand..	Agency.
Cotton Piece-goods, Fancy Prints.	481	Sydney, Australia.....	Agency.
Glass Tubing for Neon Signs....	482	Sydney, Australia.....	Purchase.
Artificial Teeth; Dental Rubber..	483	Auckland, New Zealand...	Agency.
Wooden Bobbins.....	484	Haarlem, Holland.....	Purchase.
Fork Handle Squares of Ash....	485	Navan, Irish Free State...	Purchase.
Vulcanized Fibre and Leatheroid.	486	Sydney, Australia.....	Agency.
Small Tools.....	487	Melbourne, Australia.....	Agency.
Electrical Insulating Materials...	488	Sydney, Australia.....	Agency.
Radio Hook-up Wire and Wire Suitable for Connecting Tele- phone Switchboard Apparatus.	489	Sydney, Australia.....	Agency.
Automobile Accessories, Hard- ware Parts.	490	Melbourne, Australia.....	Agency.
Domestic Electric Refrigerators..	491	Melbourne, Australia.....	Agency.
Refrigerators (Electric, Gas and Oil Lamp Drive) for South Africa.	492	Birmingham, England....	Purchase or Agency.



## PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

### From Montreal

*To Liverpool.*—Montealm, July 24; Duchess of Bedford, July 30; Duchess of Richmond, Aug. 6; Duchess of York, Aug. 11; Montrose, Aug. 17—all Canadian Pacific; Antonia, July 30; Andania, Aug. 13—both Cunard-White Star Line; a steamer, Fjell Line, July 26 and Aug. 9.

*To London.*—Beaverburn, July 23; Beaverbrae, July 30; Beaverhill, Aug. 6; Beaverford, Aug. 13; Beavertale, Aug. 20—all Canadian Pacific; Ausonia, July 23; Ascania, July 30; Aurania, Aug. 6; Alaunia, Aug. 13—all Cunard-White Star Line.

*To London, Antwerp and Rotterdam.*—Taborfjell, July 26; Harpefjell, Aug. 4—both Fjell Line.

*To Manchester.*—Manchester Port, July 22; Manchester Brigade, July 29; Manchester Division, Aug. 5; Manchester Citizen, Aug. 12; Manchester Regiment, Aug. 19—all Manchester Line; a steamer, Fjell Line, July 26 and Aug. 9.

*To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—New York City, July 27; Bristol City, Aug. 14—both Bristol City and Dominion Lines; Dakotian, Cunard-Donaldson and Dominion Lines, Aug. 5.

*To Glasgow.*—Athenia, July 23; Delilian, July 30; Letitia, Aug. 6; Sulairia, Aug. 13—all Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Cairnesk (calls at Dundee), July 21; Cairnglen, July 28; Cairmona, Aug. 4; Cairnross (calls at Dundee), Aug. 18—all Cairn-Thomson Line.

*To Aberdeen and Hull.*—Gitano, July 28; Kyno, Aug. 14—both Ellerman's Wilson Line.

*To Dublin and Belfast.*—Fanad Head, Head Line, July 22 (cargo accepted for Cork).

*To Antwerp and Havre.*—Hada County (calls at Dunkirk), July 27; August, Aug. 15; Brant County, Aug. 25—all County Line; Beaverburn, July 23; Beaverhill, Aug. 6; Beaverford, Aug. 13; Beavertale, Aug. 20—all Canadian Pacific (do not call at Havre).

*To Rotterdam.*—Flint II, Aug. 8; Grey County, Aug. 18—both County Line.

*To Hamburg and Bremen.*—Bochum, Hamburg-American Line, July 23; Beaverbrae (does not call at Bremen), Canadian Pacific, July 30.

*To Copenhagen, Gothenburg and Baltic Ports.*—Korsholm, July 24; Ragnhildsholm, Aug. 25—both Swedish-America-Mexico Line.

*To Norwegian Ports.*—A steamer, Fjell Line, July 26 and Aug. 9.

*To Marseilles, Genoa, Naples, Messina, Palermo, Lisbon and Leghorn.*—Capo Noli, July 23; Capo Lena, Aug. 13—both Capo Line.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Magnhild, July 24 and Aug. 7; Eikhau (does not call at St. Pierre), Aug. 2; Lillehorn (does not call at St. Pierre), Aug. 13—all Shaw SS. Co.; Belle Isle, Newfoundland-Canada SS. Co., July 30 and Aug. 13.

*To Corner Brook, Nfld.*—North Voyageur, July 25 and Aug. 8; New Northland, Aug. 2—both Clarke SS. Co.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Chomedy, July 22; Cornwallis, Aug. 5—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Hamilton (Bermuda), Nassau (Bahamas), Kingston (Jamaica) and Belize (British Honduras).*—Lady Somers, July 21; Cathcart (does not call at Hamilton or Nassau), July 30; Lady Rodney, Aug. 4—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer, Ocean Dominion SS. Corp., July 30.

*To Brisbane, Sydney and Melbourne.*—Surrey, Montreal-Australia-New Zealand Line, July 29 (calls at Adelaide if sufficient inducement offers).

*To Auckland, Napier, Wellington, Lyttelton, Timaru, Dunedin and Bluff.*—Ardenvohr, Montreal-Australia-New Zealand Line, July 29.

*To Sierra Leone, Walvis Bay, Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques and Beira.*—Calgary, Elder Dempster Lines Ltd., July 25.

*To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Singapore, Madras, Rangoon and Calcutta.*—City of Salisbury, Canada-India Service, July 31.

*To Belawan Deli, Penang, Port Swettenham, Singapore, Batavia, Cheribon, Samarang, Soerabaya and Macassar.*—Mapia, July 19; Kota Radja, Aug. 17—both Java-New York-Blue Funnel Line.

*To Manila, Hongkong, Shanghai and Dairen.*—City of Lyons, Ellerman & Bucknell SS. Co., Aug. 2.

*To Buenos Aires.*—A steamer (also calls at Santos), International Freighting Corp., August.

### From Quebec

*To Southampton.*—Empress of Britain, Canadian Pacific, July 31 and Aug. 14.



### From Halifax

*To Liverpool.*—Newfoundland, July 31; Nova Scotia, Aug. 17—both Furness Line.

*To London, Hamburg, Hull, Leith and Dundee.*—McKeesport, July 19; Liberty, July 31—both American Hampton Roads.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Kongshaug, Newfoundland-Canada SS. Ltd., July 26 and Aug. 9; Fort Townshend, July 19 and Aug. 2; Fort Amherst, July 26 and Aug. 9—both Furness-Red Cross Line; Portia (does not call at St. Pierre), Newfoundland Ry. and SS. Co., July 28 and Aug. 11; Newfoundland, July 31; Nova Scotia, Aug. 17—both Furness Line.

*To Kingston (Jamaica) and Belize (British Honduras).*—Cavelier, July 19; Cathcart, Aug. 2—both Canadian National.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Hawkins, July 29; Lady Drake, Aug. 12—both Canadian National.

*To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer, Ocean Dominion SS. Corp., July 21.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Chomedy, July 26; Cornwallis, Aug. 9—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Bermuda, West Indies, and Demerara.*—A steamer, Pickford & Black Ltd., July 21 and Aug. 4.

*To Santiago (Cuba) and Kingston (Jamaica).*—Ciss, July 28 and Aug. 25; Kirsten B, Aug. 11—both Pickford & Black Ltd.

*To Yokohama, Kobe, Shanghai, Hongkong, Manila, Cebu and Java.*—Chinese Prince, July 19; Javanese Prince, Aug. 16—both Furness-Prince Line; Silverbeech, July 27; Silveryew, Aug. 1—both Silver Line.

### From Saint John

*To London.*—Trentino, Ellerman's Wilson Line, Aug. 12.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Hawkins, July 22; Lady Drake, Aug. 4—both Canadian National.

*To Kingston and Jamaican Outports.*—Harboe Jensen, July 23 and Aug. 6; Crawford Ellis, July 30 and Aug. 13—both United Fruit Company (cargo also accepted for transshipment to Central and South American ports).

### From Vancouver

*To Yokohama, Kobe and Osaka.*—Heian Maru, July 24; Hikawa Maru, Aug. 14—both Nippon Yusen Kaisha.

*To Yokohama, Kobe, Shanghai, Hongkong and Manila.*—Empress of Asia (calls Nagasaki), July 23; Empress of Canada (calls Honolulu), Aug. 7; Empress of Russia (calls Nagasaki), Aug. 19—all Canadian Pacific; Ixion, July 24; Talthybius, Aug. 21—both Blue Funnel Line (call at Miike but not at Manila).

*To Bombay, Colombo, Belawan Deli, Penang, Singapore, Batavia, Samarang, Soerabaya, Davao and Manila.*—Hoeg Merchant, Silver-Java Pacific Line, Aug. 2.

*To Honolulu, Suva, Auckland and Sydney.*—Niagara, Aug. 3; Aorangi, Aug. 31—both Canadian-Australasian Line.

*To Papeete, Auckland, Wellington, Lyttelton, Dunedin, Melbourne and Sydney.*—Limerick, Canadian-Australasian Line, July 25.

*To London, Liverpool and Rotterdam.*—Damsterdyk (calls at Glasgow), July 24; Lochgoil, Aug. 7; Delftdyk (calls at Glasgow), Aug. 21—all North Pacific Coast Line.

*To Antwerp, Hamburg and Bremen.*—Schwaben, Aug. 18; Elbe, Sept. 5—both North German Lloyd Line; Tacoma, Aug. 2; Portland, Aug. 9; Vancouver, Aug. 25—all Hamburg-American Line.

*To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.*—San Francisco, July 26; Wyoming, Aug. 10—both Empire Shipping Co. Ltd.

*To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.*—Rialto, July 19; Chisone, Aug. 16—both Empire Shipping Co.

*To Port of Spain (Trinidad) and Bridgetown (Barbados).*—Hazelside, Canadian Transport Co., about July 23.

*To Kingston (Jamaica).*—Brynje, Canadian Transport Co., about July 30.

*To Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques, Colombo, Calcutta and Madras.*—Silverbelle, Silver-Java Pacific Line, Aug. 5.

*To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.*—Leikanger, Empire Shipping Co., July 30.

# COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

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### Argentina

J. A. STRONG, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

### Australia

*Sydney:* L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh Streets. (Territory covers Federal District of Canberra, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

*Commercial Agent:* B. MILLIN, The Royal Exchange, Sydney, N.S.W.

*Melbourne:* FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building, Melbourne. (Territory covers States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

### Belgium

YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

### Brazil

L. S. GLASS. Address for letters—Caixa Postal 2164, Rio de Janeiro. Office—Ed. Da. "A. Noite," Sala 802, Praca Maua. *Cable address, Canadian.*

### British Malaya

B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory covers the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

### British West Indies

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*Jamaica:* F. W. FRASER, P.O. Box 225, Office—Canadian Bank of Commerce Chambers, Kingston. (Territory covers Jamaica, Haiti, the Bahamas, and British Honduras.) *Cable address, Canadian.*

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### Egypt

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### France

HERCULE BARRÉ, Commercial Attaché, 3 rue Scribe, Paris (9). (Territory includes French Colonies in North Africa.) *Cable address, Cancomac.*

### Germany

J. C. MACGILLIVRAY, Mönckebergstrasse 31, Hamburg. (Territory includes Germany—except the Rhine Valley—Czechoslovakia, Austria, and Poland.) *Cable address, Canadian.*

### Hongkong

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### British India

PAUL SYKES. Address for letters—P.O. Box 2003, Calcutta. Office—23 Esplanade Mansions, Government Place East, Calcutta. (Territory includes Burma and Ceylon.) *Cable address, Canadian.*

### Irish Free State and Northern Ireland

JAMES CORMACK, 66 Upper O'Connell Street, Dublin, Irish Free State (*cable address, Canadian*); and 40 Victoria Square, Belfast, Northern Ireland.



## CANADIAN GOVERNMENT TRADE COMMISSIONERS—*Con.*

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A. B. MUDDIMAN, Via Manzoni Nr. 5, Milan (102). (Territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia.) *Cable address, Canadian.*

### Japan

*Tokyo:* J. A. LANGLEY, Commercial Secretary. Address for letters—P.O. Box 401, Tokyo Central. Office—Canadian Legation, 16 Omotecho, 3-chome, Akasakaku, Tokyo. *Cable address, Canadian*

*Kobe:* P. V. McLANE. Address for letters—P.O. Box 230, Kobe. Office—309 Crescent Building, 72 Kyomachi, Kobe. *Cable address, Canadian.*

### Mexico

ACTING TRADE COMMISSIONER. Address for letters—Apartado Num. 126-Bis, Mexico City. Office—Edificio Banco de Londres y Mexico, Num. 30, Mexico City. (Territory includes Guatemala, Honduras, and Salvador.) *Cable address, Canadian.*

### Netherlands

ACTING TRADE COMMISSIONER, Coolsingel 111b, Rotterdam. (Territory includes the Rhine Valley and Switzerland.) *Cable address, Canadian.*

### New Zealand

W. F. BULL. Address for letters—P.O. Box 33, Auckland. Office, Yorkshire House, Shortland Street, Auckland. (Territory includes Fiji and Western Samoa.) *Cable address, Canadian.*

### Norway

RICHARD GREW, Stortingsgaten 28, Oslo. (Territory includes Sweden, Denmark, and Finland.) *Cable address, Canadian.*

### Panama

W. J. RIDDIFORD. Address for letters—P.O. Box 222, Panama City. Office—Royal Bank of Canada Building, Santa Ana Plaza, Panama City. (Territory includes the Canal Zone, Venezuela, Colombia, Nicaragua, and Costa Rica.) *Cable address, Canadian.*

### Peru

M. J. VECHSLER. Address for letters—Casilla 1212, Lima. Office—Portal de Belén No. 166, Plaza San Martin, Lima. (Territory includes Bolivia, Ecuador, and Chile.) *Cable address, Canadian*

### South Africa

*Cape Town:* G. R. HEASMAN. Address for letters—P.O. Box 683, Cape Town. Office—Cleghorn & Harris Building, Adderley Street, Cape Town. (Territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar.) *Cable address, Cantracom.*

*Johannesburg:* J. L. MUTTER. Address for letters—P.O. Box 715, Johannesburg. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

### United Kingdom

*London:* FREDERIC HUDD, Chief Trade Commissioner in the United Kingdom, Canada House, Trafalgar Square, S.W.1. *Cable address, Sleighing, London.*

*London:* J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W.1. (Territory covers Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

*London:* W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C.2. *Cable address, Canfrucom.* (Territory—for fresh fruit only—covers United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

*London:* W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W.1. *Cable address, Agrilson.*

*Liverpool:* H. R. POUSETTE, Martins Bank Building, Water Street. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

*Bristol:* E. L. MCCOLL, Northcliffe House, Colston Avenue. (Territory covers West of England, South Wales, and South Midlands.) *Cable address, Canadian.*

*Glasgow:* G. B. JOHNSON, 200 St. Vincent Street. (Territory covers Scotland.) *Cable address, Cantracom.*

### United States

*New York City:* D. S. COLE, British Empire Building, Rockefeller Center. (Territory includes Bermuda.) *Cable address, Cantracom.*

**Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.**



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# COMMERCIAL INTELLIGENCE JOURNAL



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No. 1747



Canadian Dry Salt Herring being discharged at Shanghai, China

ISSUED BY AUTHORITY OF  
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE  
JAMES G. PARMELEE, DEPUTY MINISTER

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# COMMERCIAL INTELLIGENCE JOURNAL

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Vol. LVII

Ottawa, July 24, 1937

No. 1747

## GLASGOW'S GREAT HOUSING PROGRAM

G. B. JOHNSON, CANADIAN TRADE COMMISSIONER

Glasgow, June 23, 1937.—During the course of a business tour of Canada covering the last four months of 1936, the writer was impressed with the keen interest displayed in many parts of the country in the housing problem. The general view seemed to be that a great number of new or reconditioned houses was urgently required in many urban districts of the Dominion. Much interest was therefore manifested in what is being done in Great Britain, where municipal building, assisted by the Government, of new houses for the working classes has been a major activity for more than a decade.

The object of this report is not only to supply information on this subject to municipal and other organizations in Canada, concerning what is being done along these lines in this country, but also to direct attention to the opportunities which will be available in Scotland for many years to come for Canadian exporters of softwood lumber and other building materials.

The housing operations of the Corporation of Glasgow are dealt with in this report because information concerning them is more readily obtained by this office, but they are typical of the efforts being made by a large number of municipalities in the United Kingdom to meet the needs of a growing population, to clear away slums, and to eliminate the evils of overcrowding.

### ORGANIZATION AND DEVELOPMENT

In 1919 the Corporation of Glasgow created the Housing Department, headed by a Director of Housing who is responsible to the Corporation's Housing Committee. From small beginnings this department has grown until to-day it deals with the clearance of slum areas and their redevelopment, purchases of land for all housing schemes, preparation of lay-outs, designing of houses, engineering work for developing the land purchased, preparation of road and sewer schedules and all the measurement of such work, to a large extent the preparation of schedules for house construction, entire supervision of building contracts, maintenance of corporation housing property, construction in large measure of the roads and sewers, and the carrying out of various specific building trades in the construction of new houses. In addition, the department has authority to arrange for the delivery of certain articles of furniture to such tenants in rehousing schemes as may desire them. The letting of the houses is in the hands of the City Improvements Department.

To carry on all these activities, the Housing Department has a large staff of engineers, architects, surveyors (building-trade measurers), building and engineering clerks of works and inspectors, building tradesmen of all classes, labourers, and the necessary clerical staff.

### EXTENT OF OPERATIONS

Under various Acts of Parliament passed by succeeding administrations, the Corporation of Glasgow and its Housing Department, since its inception



in 1919, have steadily evolved and carried out housing schemes, until in September, 1935, the 40,000th house was erected.

In 1933 the corporation approved a program to build 20,000 houses during the ensuing five years. Satisfactory progress was maintained until last year, when it was retarded by difficulties in obtaining materials. Results, however, were not considered adequate by Government authorities. In the spring of 1936 the Minister of Health came to Glasgow and urged that the rate of construction be doubled—from 4,000 to 8,000 houses a year—and as recently as February last the City Engineer stated that the corporation had planned a further program to provide 65,000 houses covering a period of ten years. This would entail the extension of the city's area by over 4,000 acres, as the available land within the city (which is the most compact place of its size in Great Britain, since its population is largely housed in continuous four-story flats and tenements) is sufficient for only 32,500 houses.

The housing schemes provide for great variety in architectural designs, although in the past, in order to expedite building operations or for financial reasons, groups of the same type of house have been erected in particular areas. The tendency now is towards better lay-outs and variation in design. In all large schemes shopping centres have been provided, and ground has been set aside for schools and various public buildings.

The urgent need for large housing developments in outlying districts in any large city naturally tends to make them purely utilitarian in character. In its new housing schemes plans have been prepared by the Housing Department of Glasgow for the first of a series of community centres.

Knightwood, a suburb built some years ago, has been selected as the first development of this kind. A site of two acres in extent has been reserved for the several buildings, which will include a suite of halls, a swimming bath, a library, an institute for youth movements, a welfare clinic, and administrative offices. The centre will provide facilities for leisure in social, cultural, and recreational pursuits by citizens of all ages.

#### TYPICAL HOUSING SCHEME

The Springfield Road Scheme, in which is situated the 40,000th house mentioned above, is typical of Glasgow's housing activities. It comprises an area of 16.0731 acres, with a 1,000-foot frontage to London Road and a 1,480-foot frontage to Springfield Road, two of the main arterial roads in the city. The average price paid for the ground over all was £815 6s. 8d. per acre.

This area was at first utilized for temporary housing, 130 timber huts being built thereon. In designing the lay-out its ultimate use as a site for permanent houses was kept in mind, so that when in 1934 it was decided to proceed with the erection of permanent houses very little alteration in the roads was necessary, although the majority are being widened to meet the extra traffic they will require to carry.

The present scheme comprises the whole of the temporary housing site and additional land fronting London Road, reserved originally by the estate as being too valuable for temporary housing.

Building operations for permanent housing were started on October 2, 1934. The scheme comprises 628 houses, of which 144 are two-apartment houses, 336 three-apartment houses, and 114 four-apartment; and one hostel of 33 single apartments, all in tenement form.

With a view to relieving monotony, the material used in the outer walls has been varied, those of houses fronting on the main streets being of Dorset pea pebble terrazzo blocks, and those of houses fronting on interior streets of trigmill or ordinary concrete blocks.

Trigmill block consists of ordinary concrete backing faced with a composition of white limestone pebble, sand, and cement. The ordinary concrete

block has a dabbled-face finish as a variant from rock-faced, and more nearly resembles ordinary stonework. All back walling of the tenements is of dabbled-faced concrete blocks.

Each house has a kitchenette, living, and bathroom, and in two rooms there is a coal fire.

#### FITMENTS

The kitchenette is fitted with a two-piece combination tub and sink, a 10-gallon gas wash-boiler with a water supply pipe from the hot-water circulating system, and a back-to-back grate fitted with a gas lifting range plate. There is also a separate coal bunker with pot and pan rack, and a clothes pulley is provided.

The living room has a cast-iron mantel coal register fire as part of the back-to-back grate fitment, and a dresser and food press. In the principal bedroom there is a cast-iron mantel register coal fire with granolithic finished hearth. In the other bedrooms gas fires are provided.

#### MATERIALS OF CONSTRUCTION

The main walls are of hollow wall construction, with 4¼-inch thick concrete blocks and brick backing, the air space being 3¼ inches wide. The first, second, and third story walls are 16½ inches in thickness, and the facing concrete blocks are of terrazzo, trigmill, or dabbled-face finish.

Rough timbers or carcassing is 50 per cent British Columbia Douglas fir and 50 per cent Baltic white pine. The percentage of Douglas fir would be higher if sufficient stocks were at all times available locally, or if prompt shipment could be always depended upon. The general wood finishing is of the best British Columbia Douglas fir, of which local stocks are always on hand. Pass doors, including the panelling in all houses, are also of this material.

With a view to expediting the completion of the houses, the ceilings are of a Canadian plaster board, but the walls have ordinary three-coat plaster, and are finished with ordinary distemper, while internal doors are stained and varnished.

All roofs are covered with ⅝-inch sarking and felt, and are slated with 90 per cent West Highland slates and 10 per cent Welsh slates.

#### COST OF ERECTION

When built on level sites with normal foundations averaging 2 feet 6 inches, including footpaths, house drains, fencing, services, and fees—but excluding land, roads, and sewers—building costs in Glasgow are approximately as follows: 3- and 4-apartment flats, £315 and £345 respectively; 3-, 4-, and 5-apartment cottages, £370, £405, and £490 respectively; and 3- and 4-apartment tenements, £345 and £390 respectively.

#### RENTS

Following is a schedule of rents per annum:—

	£	s.	£	s.
3-apartment tenements and flats . . . . .	from 18	10	to 28	10
4-apartment tenements and flats . . . . .	from 21	10	to 33	0
3-apartment cottages . . . . .	from 26	0	to 32	0
4-apartment cottages . . . . .	from 31	0	to 38	0
5-apartment cottages . . . . .	from 36	0	to 45	0

The rents of houses in slum clearance areas are as follows:—

	£	s.	£	s.
3-apartment flats and tenements . . . . .	from 13	15	to 16	5
4-apartment flats and tenements . . . . .	from 16	5	to 17	5

The above rents are exclusive of tenants' rates (local taxes), which at present amount to 7s. 10·54d. in the £, or just over 39 per cent of the rental.



## CONDITIONS IN SCOTLAND

G. B. JOHNSON, CANADIAN TRADE COMMISSIONER

Glasgow, July 6, 1937.—Roughly, half the population of Scotland are dependent for their livelihood, either directly or indirectly, on the heavy industries such as coal, steel, engineering, and shipbuilding, and it is these which have shown such marked improvement within the past two years. In shipbuilding, for example, the Clyde yards, with a potential output of 1,000,000 tons of shipping a year, had only about 50,000 tons on hand during the early summer of 1935. To-day the value of orders being executed in Scottish yards is, it is stated, nearly £60,000,000. It is composed of 40 warships of various types and about 140 mercantile vessels, under construction, not only on the Clyde, but on the Forth and Tay rivers. The Clyde remains, what it has been for many years, by far the most important shipbuilding river in the world. Its yards at the present time are constructing about one-sixth of the world's new ships.

There has been a considerable falling off on the Clyde in new contracts for ships during May and more especially June, the result of the limited supply of materials, principally steel. Despite this fact, there has been no falling off in shipyard employment, owing to the large number of contracts on hand.

In the past six months Scottish shipbuilders have launched 65 vessels totalling over 195,000 tons gross, and of these the Clyde area has accounted for 47 ships of nearly 166,000 tons. This is the highest half-yearly output recorded since 1930, as shown in the following table giving the output of the first six months of the year since 1929:—

Year	Number of Vessels	Tons
1929 .. . . .	119	285,000
1930 .. . . .	115	293,000
1931 .. . . .	36	103,000
1932 .. . . .	16	37,000
1933 .. . . .	8	13,000
1934 .. . . .	22	30,000
1935 .. . . .	33	92,000
1936 .. . . .	48	126,000
1937 .. . . .	47	165,000

## IRON AND STEEL

In the United Kingdom the extraordinary demand for steel products continues undiminished, in spite of the fact that production is maintained at the rate of over 1,000,000 tons of steel ingots per month. The rise in steel production would have been even more marked had there been a sufficient supply of raw materials, especially pig iron and scrap. Production of pig iron in the United Kingdom continues to expand in a satisfactory manner, and although there are only fifteen furnaces in blast in Scotland, the local pig iron production shows a modest expansion, although not proportionate to the increase in Scottish steel production, which is largely dependent upon imported supplies of pig iron and the use of scrap. In the present year the pig iron production in Scotland is not expected to exceed 500,000 tons, but steel production will probably exceed 2,000,000 tons.

## EMPLOYMENT

The number of unemployed on the registers of employment exchanges in Scotland at June 21 was 17,073 fewer than at May 24, and 39,394 fewer than a year before.

The total number unemployed in Scotland at June 21 was 214,966, of which 15,791 were coal miners, 10,836 shipyard workers, 5,548 in general engineering, 3,300 in iron and steel, and 11,782 in building. In each case, the figure represents a substantial reduction from a year ago.



### CLYDE SHIPPING

The Clyde Navigation Trust report that the tonnage of vessels entering and leaving the port during the year ended June was approximately 15,139,000, the highest figure in the history of the Trust, and in excess of last year's figure by roughly 829,500, representing an increase of revenue of £10,500.

Goods handled reached a figure of 6,657,000 long tons, an increase of 220,000 tons and representing an increased revenue of £12,800.

The revenue of the Trust for the year was £849,873.

### INDUSTRIAL ESTATE NEAR GLASGOW

What promises to be the most important development in Scottish industry for many years is the establishment of an industrial estate on the outskirts of Glasgow in the direction of Paisley. It consists of 320 acres, an area extended from the 100 acres originally planned owing to the great demand for sites. Already about one hundred inquiries for factories and sites have been received since the scheme was started some months ago. Most of these are from Scottish firms, but there have also been a number from England, and some from the United States, Canada, and Rhodesia. The promoters of the enterprise are the Scottish Industrial Estates Company, which has under construction factories of the unit type having an aggregate floor space of over 190,000 square feet, the greater part of which has already been let. Plans have accordingly been made for a considerable increase in the number of factories of this type. These unit factories are intended mainly for small businesses, each having a floor space of about 1,200 square feet.

### PATENT FUELS AND COAL BY-PRODUCTS IN SOUTH WALES

L. H. AUSMAN, ASSISTANT TRADE COMMISSIONER

Bristol, July 6, 1937.—The manufacture of patent fuel in the form of briquettes is one of the subsidiary industries to the coal trade in South Wales, using small coal of various sorts with pitch as a binder. Prior to 1929 there were a number of independent plants in operation in Cardiff, Swansea, Port Talbot, and Newport, but in that year they were all combined to form British Briquettes Ltd., with which was associated the Abertillery Pitch & Benzol Company, Ltd. Within recent months the works at Swansea have been idle, but it is estimated that the total number of workers in the trade in South Wales is now slightly over one thousand.

### EXPORTS OF BRIQUETTES

Practically the whole of the output of this industry in South Wales is exported, although there has been a considerable decline in this trade during the past few years. In 1930 exports were nearly 900,000 tons; in 1935 they amounted to only 590,000 tons, and in 1936 to 409,000 tons. Canada was credited with receiving 1,500 tons in 1935, but none in 1936, nor in recent previous years. French, German, and Italian railways buy briquettes, and substantial quantities have been sold in North Africa. The recent decline in foreign demand may be attributed partly to the same general causes which have led to a decline in coal exports, partly to the manufacture of briquettes abroad, and partly to the special difficulties recently encountered in Italian markets.

### DOMESTIC DEMAND

Briquettes have never been seriously considered by British industries, and opinion is divided as to their value as a fuel. On the basis of cost there is very

little to be said for or against patent fuel. Generally speaking, the price is about the same as the best large coal. The usefulness of briquettes depends very largely on the purpose to which they are put, and in this connection certain advantages are claimed for them. They are easy to stack, they take up less space per ton than coal, and they are said to break and powder less easily. These advantages count when space is an important consideration as, for example, in sea transport, on the tenders of locomotives, and in the premises of manufacturers paying high rent for their land.

There are a few other briquette manufacturers in England, but they are believed to operate only on a small scale and to cater for the domestic market, making patent fuel particularly for household use. There is only a very limited outlet in this direction for the South Wales product. Ever since the serious coal stoppage in Great Britain in 1926, when many small plants started putting briquettes of very inferior quality on the market, this type of patent fuel has had to contend with considerable prejudice on the part of householders. More recently, low carbonization coke, sold in bags by grocers, has competed seriously with briquettes for household use, particularly in London.

#### NEW DEVELOPMENT

One of the large coal companies in South Wales has been experimenting for some time in the manufacture of a new type of briquette, and if their plans are successful it may mean a revival of the patent fuel industry in South Wales. It is possible that the export trade may be revived somewhat, but the bulk of the increased output would have to be absorbed by the home market, industrial and domestic. It is generally considered that there would be reasonable prospects for the latter, providing the new product is not called a briquette, is relatively smokeless, fairly cheap, and well advertised. Its advantages in being clean to handle, easily stored, and capable of being sold in very small quantities, may offset the existing prejudice against this type of fuel.

#### COAL BY-PRODUCTS

Nearly all the coke ovens in South Wales are of the by-product recovery type. One ton of Welsh coal on high temperature carbonization gives, on an average, the following primary by-products: 5 gallons of tar, 2 gallons of benzol, 18 pounds of ammonia (as sulphate), and 10,000 cubic feet of gas.

#### TAR

The tar is the raw material for a number of by-products, and is obtained both from coke ovens and from gas works, of both of which it is a by-product. Tar distillation is done by some independent firms in South Wales as well as by the colliery companies, the former being chiefly concerned with the manufacture of road tar, creosote and pitch. Although there is a sale for all three of these products, the proportion of each reaching the market depends on the relative prevailing prices. For example, the demand a few years ago for road tar and pitch has lately been supplanted by one for creosote, with the result that tar distillation is undertaken with a view to producing a maximum of creosote and a minimum of the other by-products.

Refined tar as a road surfacing material competes with bitumen—a by-product of the distillation of crude petroleum. Although both are used in the pure state, a road-surfacing material is often a mixture of both. Pitch is mainly used as a binder in the manufacture of patent fuel briquettes, and creosote is sold partly as a wood preservative and partly for hydrogenation. There is a fairly large export to the United States, to which country some 20,000,000 gallons of creosote, anthracene, and tar oils were consigned in 1936,



out of a total export of 35,500,000 gallons. Shipments to Canada amounted to only about 75,000 gallons.

In addition to road tar, pitch and creosote, the various colliery companies make a wide range of tar by-products, including naphthalene, anthracene, solvent naphtha, sheep dips, soil fumigants, sprays, compounds of tar and rubber for waterproofing roofs, preservative paint for metals, and wood preservatives in a number of colours. The making of these specialized by-products requires little additional labour, but helps in making coal output more profitable.

#### OTHER BY-PRODUCTS

Of the other coal by-products mentioned, benzol is sold for motor spirit; ammonia can be recovered as ammonia sulphate, but owing to low prices and the competition of synthetic ammonia this has in many cases not been profitable; the gas is partly used for heating the coke-ovens, and the surplus is sold to outside consumers, burnt under boilers, or simply wasted.

### IRISH FREE STATE HOSIERY INDUSTRY AND MARKET

JAMES CORMACK, CANADIAN TRADE COMMISSIONER

Dublin, June 28, 1937—For the purposes of this report, hosiery covers stockings and hose, knitted underwear, fancy hosiery—including jerseys, pull-overs, cardigans, and shawls—and knitted gloves.

The hosiery industry in the Irish Free State has made rapid progress during the past few years. Contrasting the output of 1932 with 1935 (the last available official figures), it is found that stockings and hose increased from 222,596 dozen pairs (£136,147) to 854,629 dozen pairs (£445,824); knitted underwear, from 22,682 dozens (£39,384) to 320,493 dozens (£233,493); fancy hosiery, 27,132 dozens (£91,209) to 95,066 dozens (£170,728); and knitted gloves, 22,266 dozen pairs (£8,249) to 55,363 dozen pairs (£27,159). Statistics show that the progress of the industry from 1929 to 1932, though steady, was not very rapid, and 1936 and 1937 figures, when available, are expected to indicate that production is still on the increase.

Five years ago local production was largely confined to cotton underwear and hose, and was chiefly in the hands of a well-known County Dublin firm. Since then the production of stockings and hose has shown a striking advance. This is due to the opening of several large-scale factories, especially in the production of silk and artificial silk hosiery. The increased output of knitted gloves and fancy hosiery, etc., while not important, is equally striking. At present there are over seventy firms engaged in the industry, and the total employment is approximated at 4,700 as compared with roughly 2,000 in 1931. The manager of one well-known firm has just returned from a business tour of the United States, where he has been studying all the latest types of machinery with a view to installing them in his factory here. The main sources of output are established in Dublin, Cork, Donegal, Kilkenny, Louth, Wexford, Wicklow and Galway. The importance of the hosiery industry in the economic life of the Irish Free State is evident from the fact that the total value of production in the year 1935 was approximately £900,000.

#### EFFECT OF TARIFFS

Up to twelve years ago the great bulk of the Free State's hosiery requirements were imported. In April, 1925, a customs duty of 15 per cent ad valorem (10 per cent preferential rate) was imposed on wearing apparel (including



hosiery). Although this gave a certain impetus to local industry, the protection afforded was not sufficient to enable the home manufacturers to capture more than a small portion of the trade. In May, 1932, the customs duty on imported hosiery was increased to 45 per cent ad valorem (30 per cent preferential rate). This increase encouraged development, and rapid expansion followed in production of practically all classes of hosiery. The progress made at this time was chiefly in the manufacture of middle- and high-grade hosiery. Very little change took place in the making of the cheaper grades, owing to the large quantities of low-priced hosiery which continued to be imported, especially from Continental sources. Consequently, minimum duties were introduced in September, 1933. The rates of minimum duty were 6s. per dozen pairs (4s. preferential rate) on hose and half-hose, 12s. per dozen articles (8s. preferential rate) on knitted underwear, and 20s. per dozen articles (13s. 4d. preferential rate) on knitted cardigans, pullovers, jerseys, waistcoats, and similar articles.

In May, 1934, a general revision of the customs duties on wearing apparel and hosiery took place, the preferential rates of duty being abolished. The present duty on hosiery is 40 per cent ad valorem, with minimum rates of 6s. per dozen pairs on hose and half-hose, 10s. per dozen articles on knitted underwear, and 15s. per dozen articles on knitted cardigans, pullovers, etc.

In addition to the ad valorem and minimum duties on silk and artificial silk hosiery, further protection was afforded by an order made on January 16, 1935, under the Control of Imports Act, whereby imports of these articles were restricted by quota, and now the bulk of the requirements is being met from home sources.

The first import quota on silk and artificial silk stockings was fixed on February 25, 1935, and amounted to 510,000 pairs for the ensuing three-months' period. From June 1, 1935, the quota period was extended to six months, and the quantities allotted since have been diminishing as follows: 725,000 pairs, 585,000 pairs, 361,000 pairs, 365,000 pairs, and for the four-months' period ending September 30, 1937, 240,000 pairs. The quantities will continue to diminish as local industry grows to supply the demand, although probably in less accelerated form, as only the more difficult manufactures remain to be affected.

#### IMPORTS AND MARKET

The total imports of all classes of hosiery last year were less than one-third of their value in 1932. Hosiery imports, which include stockings and hose of all kinds, underwear, and fancy hosiery, were valued at £306,864 in 1936, £380,674 in 1935, £448,513 in 1934, £600,165 in 1933, and £724,756 in 1932. Total imports of silk and artificial silk stockings—in which product Canada is most interested—have already declined to roughly one-quarter. The United Kingdom has long been the leading source of supply for this type of hosiery, but was displaced by Germany in 1935, and further in 1936. Czechoslovakia, Canada, and the United States have also improved their position in the market during the past three years. Imports from Canada have increased from 1,017 dozen pairs in 1934 to 2,969 dozen pairs in 1936, and imports from the United States have also increased, from 548 to 1,218 dozen pairs. In the corresponding period, however, imports of silk and artificial silk hosiery from Great Britain and Northern Ireland have declined from 178,464 dozen pairs to 17,089 dozen pairs, and total imports have declined from 221,840 to 63,700 dozen pairs.

With the special encouragement afforded to domestic production, it is difficult to anticipate any substantial increase in imports of Canadian hosiery. Canadian silk stockings are (together with American) held by the merchants to be the finest which enter this market, and, as this superior quality cannot apparently be produced locally, they should continue to supply the better-class trade, in so far as the quotas will permit.

## AUSTRALIAN WHEAT AND FLOUR

FREDERICK PALMER, CANADIAN TRADE COMMISSIONER

### WHEAT

Melbourne, June 16, 1937.—Wheat and flour exports from Australia for the period from December 1 to the week ending June 7 totalled 65,271,008 bushels, as compared with 65,425,364 bushels for the corresponding period of the previous year and 62,650,640 bushels two years ago.

Since May the export wheat market has continued to decline, and it has been notable mainly for the small quantity of new sales effected. It was a great disappointment that Germany did not continue to buy, and it is problematical whether she will buy additional quantities before her new crop becomes available. No demand is in evidence for export to Asia and apparently little wheat will be sold to Eastern buyers for some time. This year's sales to that quarter have been well below the average of the last six years.

It is estimated that the present uncommitted stocks of wheat and flour are approximately 150,000 tons, which is a very small quantity when it is considered that there are five months to run before any new crop is available.

Prices to growers at country stations are now about 4s. 4½d. per bushel (equivalent to 87 cents Canadian), but farmers are still disinclined to sell, although a few are beginning to show some interest at the continued decline in prices. The f.o.b. steamer price has receded to 5s. per bushel (equivalent to 98 cents Canadian). Price movements in the near future depend largely upon weather conditions in the Northern Hemisphere.

### ESTIMATED WHEAT YIELD AND ACREAGE

The latest official estimate from the Commonwealth Statistician of the total production of wheat in Australia for the season 1936-37 is practically unchanged at 150,170,000 bushels, which represents an average yield of 12·22 bushels per acre. Compared with the figures for the previous season (1935-36), the area under wheat is greater by 394,000 acres, or 3·3 per cent, and the production by 5,889,000 bushels, or 4·1 per cent. The average yield per acre of 12·15 bushels in 1936-37 is slightly above that of 12·06 bushels in 1935-36, and 5·3 per cent greater than the average of 11·54 bushels for the ten years 1927-1936.

Recent excellent rains in the three Eastern States have made the outlook for the new crop very promising, and although it is too early to attempt a forecast of the total acreage likely to be sown to wheat in Australia, estimates at present vary from 10 per cent to 20 per cent increase over the figure for the previous season (12,300,000 acres).

### FLOUR

Both export and local trade in flour are extremely dull and most mills are working short time. Although to date flour shipments are about 20,000 tons ahead of the corresponding period of last year, the orders in hand are very small. Buyers generally are reported to be running down their stocks in anticipation of price declines, and the next two months appear likely to be unfavourable for the milling industry.

Export quotations are now £10 5s. (Australian currency) per ton of 2,000 pounds in 150-pound sacks, equivalent to \$40.28 Canadian, and £A10 15s. in 49-pound calico bags, equivalent to \$42.24 Canadian. The current price for standard flour per ton of 2,000 pounds delivered in Melbourne is £A12 5s. (\$48.14).



## CHARTERING

Freight rates continue steady, although there is some sign of easing in the forward position, that is for August shipment or later, but freights are still very firm for June-July loading. The parcel rate is still unchanged at 45s. per ton. Freights are payable in English currency on the basis of 2,240 pounds to the ton.

## NEW ZEALAND HONEY CONTROL REGULATIONS

R. P. BOWER, ASSISTANT TRADE COMMISSIONER

Auckland, New Zealand, June 14, 1937.—Exports of New Zealand honey in 1935 amounted to 578 tons valued at \$135,152, of which 559 tons or 96 per cent went to the United Kingdom. Figures on New Zealand production are not available, but it has been affirmed that New Zealand, with a population of only a million and a half, consumes as much honey in a year as the United Kingdom. As imports are insignificant, requirements are met almost entirely by local production.

## GOVERNMENT SUPERVISION

The industry is closely supervised by the Government both in respect of production and of exports.

A Government register of apiaries is maintained, and since April 1, 1928, no one may keep bees except in an apiary registered under an act known as the Apiaries Act, 1927. This act also provides that only frame hives may be employed on an apiary, that bees shall not be sold, loaned, or transferred without the written consent of a Government inspector, and that not even bee-combs or other appliances shall be moved from one apiary to another.

Diseases among bees must be reported promptly, and hives and equipment destroyed if the Government inspectors deem it advisable. Regulations provide for compulsory sterilization of infected equipment, and for all necessary action to prevent the spreading of disease. Any honey which, in the opinion of an inspector, is unfit for human consumption must be disposed of as the inspector directs.

## CONTROL OF EXPORTS

These measures are supplemented by those controlling exports. A system of grading has been evolved, and any honey destined for export must first be graded. For the purpose of grading, honey is divided into five classes, according to colour, viz: water white, white, light amber, medium amber, and dark. The maximum number of points that may be allotted in respect of the several qualities is as follows:—

Quality	Points
Flavour .....	50
Colour .....	10
Condition .....	15
Grain or texture .....	15
Freedom from scum or froth .....	10
	<hr/> 100

Any honey that aggregates 94 to 100 points, inclusive, is graded Special; 88 to 93½ points is graded A or Prime Grade; and from 80 to 87½ points it is graded B or Good Grade.

No honey shall be exported if it scores less than 80 points in the grading or if it has a specific gravity of less than 1.420. To assist in the control, honey can only leave the country through certain specified ports.



### GRADING STORES

Grading stores are named at various points throughout the country, and the days and the hours when these stores will be open to grade honey are advertised. Any one wishing to export honey sends it to an appointed grading store at least three days before the grading period opens. The shipment is accompanied with an advice notice to the grader indicating the number of packages, the net weight, and the brand and mark. Owners of honey are responsible for transporting their supplies to and from the grading points, and for all handling charges incidental to the grading. Except for certain qualities, packed in containers of less than 2 pounds, no honey submitted to a grade store will be graded unless it is in a granulated form. Honey that has a disagreeable odour, or is contaminated with honey-dew, or other foreign material, or has been allowed to ferment or become overheated, will not be graded.

### PACKING

Liquid honey packed in glass containers holding not more than 2 pounds, and granulated honey of the same weight in glass or tin, may be exported if properly graded and controlled by the Government. With these exceptions, honey intended for export must be packed in tins capable of holding from 56 to 60 pounds.

Tins used for any other purpose than packing honey are not allowed, and all must be oiled on the outside with boiled linseed oil to prevent rusting. The regulations specify the size of the lids to be used, which are to be secured by solder or some other approved method. These tins are then placed in well-constructed wooden boxes, the regulations providing that the weight of honey in any one case shall not exceed 120 pounds. The wooden cases are then strapped with metal strapping, or are wire bound.

### MARKING

Any brand, intended to mark an export shipment, must be approved by and registered with the Director of the Horticultural Division of the Department of Agriculture. All brands must contain the words

#### NEW ZEALAND PRODUCE—PURE HONEY

In addition to this, the net weight of the honey must be shown; after passing the grader the case will bear a grade mark. Once graded, the honey may not be removed from the grade store except to be immediately shipped for export. Should an owner change his mind about exporting after the honey has been graded, the grade mark must be erased from the case and the grade certificate (which is issued with every graded parcel) must be surrendered. It sometimes happens that honey held in grade stores will deteriorate after the grade has been established, but before export. If such a condition is suspected, regrading will be carried out.

### QUALITY OF CROP

The quality of the crop varies from year to year, depending a great deal on weather conditions. The past year has not been a favourable one, and there is a possibility that imports will become necessary later on. This does not mean that local production cannot meet the domestic demand, but such a large percentage of the local crop will be earmarked for overseas shipment that imports may be needed to meet the home requirements.

CANADA'S DOMESTIC EXPORTS TO THE UNITED STATES OF PRINCIPAL COMMODITIES AFFECTED BY THE CANADA-UNITED STATES TRADE AGREEMENT  
EFFECTIVE FROM JANUARY 1, 1936; ALSO UNITED STATES TARIFF RATES IN FORCE. (MONTH OF JUNE AND THE SIX MONTHS ENDED  
JUNE 30, 1936 AND 1937)

(COMPILED BY THE EXTERNAL TRADE BRANCH, DOMINION BUREAU OF STATISTICS; AND THE FOREIGN TARIFFS DIVISION)

Commodities	Month of June				Six Months ended June				United States Tariff		
	1936		1937		1936		1937		1935	Canada-United States Trade Agreement (Jan. 1, 1936)	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value			
		\$		\$		\$		\$			
AGRICULTURAL AND VEGETABLE PRODUCTS											
Fruits—											
Apples, green or ripe.....						1,196	3,163	25c. per bu. 50 lbs.	15c. per bu. 50 lbs.		
Strawberries, fresh.....	18,252	1,896	243,859	14,926	18,252	1,896	14,926	14c. per lb.	4c. per lb.		
Grain products—											
Bran, shorts and middlings.....	302,571	236,377	210,252	313,346	1,051,918	838,203	1,944,611	10% ad val.	10% ad val.		
Cereal foods, prepared, all kinds.....		4,481		4,466	37,192	34,681	20% ad val.	15% ad val.			
Screenings.....	80,953	12,417	36,103	31,428	198,981	40,058	414,398	10% ad val.	10% ad val.		
Hay.....	593	3,382	8,737	58,865	3,640	23,235	128,519	\$88.488 \$5 per ton (2,000 lbs.)	\$3 per ton (2,000 lbs.)		
Maple sugar.....	774,489	129,586	193,707	33,976	3,791,768	649,379	615,594	89,228 6c. per lb.	4c. per lb.		
Seeds—											
Clover seed, alfalfa.....	12	144	94	1,354	985	10,417	21,225	291,621 8c. per lb.	4c. per lb.		
Clover seed, alsike.....	1	14	117	1,098	313	2,919	15,342	157,476 8c. per lb.	4c. per lb.		
Grass seed.....	482	619	3,631	5,953	55,171	59,984	35,759	93,382 2c. per lb.	1c. per lb. (mainly timothy)		
Vegetables—											
Certified seed potatoes (a).....	20,204	20,680	5,624	4,601			311,065	330,494 75c. per 100 lbs.	45c. per 100 lbs., Mar. 1 to Nov. 30, if certified seed; 60c. per 100 lbs., Dec. 1 to last day of Feb., if certified seed; 75c. per 100 lbs. on imports of certified seed in excess of 750,000 bu. during each twelve-month period, beginning Dec. 1, in any year.		
Potatoes, n.o.p. (b).....		197,408	17,746	13,020			325,350	236,916 75c. per 100 lbs.	75c. per 100 lbs.		
Turnips.....	183,028	1,954	1,610	402	1,171,547	365,425	1,046,017	335,902 25c. per 100 lbs.	12½c. per 100 lbs.		
Whiskey.....	159,212	784,001	347,963	1,332,032	2,006,334	9,685,846	2,398,505	8,936,546 \$5 per pf. gal.	\$2.50 per pf. gal. if aged in wooden containers for at least four years; \$5 per pf. gal. if otherwise.		
ANIMALS AND ANIMAL PRODUCTS											
Animals, living—											
Dairy cattle, n.o.p.—											
Weighing 175 to 700 lbs. (a).....	301	15,008	8	372	3,595	210,998	92	3,557 24c. per lb., 175 to 700 lbs.	24c. per lb., 175 to 700 lbs.		
Weighing over 700 lbs. (a).....	857	50,372	548	32,111			2,968	176,786 3c. per lb., if over 700 lbs.	13c. per lb., if over 700 lbs.		
								3c. per lb. if over 700 lbs. on imports in excess of 20,000 head during any calendar year.			

Cattle, n.o.p.— Weighing less than 175 lbs. (a).....No.	12,932	184,474	14,922	201,249		57,396	836,139	24c. per lb., if less than 175 lbs. 24c. per lb., if less than 175 lbs. on imports in excess of 51,933 head during any calendar year.	14c. per lb., if less than 175 lbs. 24c. per lb., if less than 175 lbs. on imports in excess of 51,933 head during any calendar year.
Weighing 175 to 700 lbs. (a).....No.	1,736	36,221	464	13,836	151,365	1,318	35,062	24c. per lb., if 175 to 700 lbs. 24c. per lb., if over 700 lbs.	24c. per lb., if 175 to 700 lbs. 24c. per lb., if over 700 lbs.
Weighing over 700 lbs. (a).....No.	21,770	988,197	11,110	832,671		85,565	5,825,105	3c. per lb., if over 700 lbs. 3c. per lb., if over 700 lbs. on imports in excess of 155,799 head during any calendar year.	3c. per lb., if over 700 lbs. 3c. per lb., if over 700 lbs. on imports in excess of 155,799 head during any calendar year.
Horses, n.o.p. ....No.	1,552	190,911	645	90,174	12,654	1,538,467	948,780	\$30 per head, if valued at not more than \$150; 20% ad val., if valued more than \$150.	\$20 per head, if valued at not more than \$150; 20% ad val., if valued more than \$150.
Poultry, n.o.p. ....No.	31,281	13,709	70,372	34,271	122,678	70,008	150,984	8c. per lb., if chickens, ducks, geese, turkeys, and guineas.	4c. per lb., if chickens, ducks, geese, turkeys, and guineas.
Fish, fresh and frozen—									
Clams, fresh.....Cwt.	2,202	4,055	1,509	4,547	22,597	21,176	39,008	Free.	Free.
Eels, fresh and frozen.....Cwt.	335	1,357	248	1,054	874	4,472	5,832	1c. per lb.	1c. per lb.
Halibut, fresh and frozen.....Cwt.	3,141	28,868	6,723	57,157	21,325	190,042	23,702	2c. per lb.	1c. per lb.
Herring, sea, fresh and frozen.....Cwt.	12,189	8,836	40,279	27,955	30,585	48,475	63,919	Free.	Free.
Salmon or lake trout, fresh and frozen.....Cwt.	3,338	34,281	4,110	45,462	10,973	114,356	147,150	1c. per lb.	1c. per lb.
Lobsters, fresh.....Cwt.	23,009	363,647	26,152	517,513	60,950	1,210,971	1,603,902	Free.	Free.
Oysters, fresh.....Cwt.	9	54	19	161	22	169	111	Free.	Free.
Salmon, fresh and frozen.....Cwt.	7,710	90,630	7,978	96,404	21,692	226,471	212,103	2c. per lb.	1c. per lb.
Smelts, fresh and frozen.....Cwt.	85	526	12	110	64,010	620,607	342,428	Free.	Free.
Swordfish, fresh and frozen.....Cwt.					491	6,603	4,490	2c. per lb.	1c. per lb., if not frozen;
Tulbee, fresh and frozen.....Cwt.	22	98	437	3,796	14,835	88,251	32,158	1c. per lb.	3c. per lb., if frozen.
Whitefish, fresh and frozen.....Cwt.	7,382	92,005	7,939	110,749	60,302	645,477	767,852	1c. per lb.	1c. per lb.
Fish, pickled, salted, and smoked—									
Alewives, salted.....Cwt.	55	103	153	2,339	1,171	2,339	44	1c. per lb., net weight.	1c. per lb., net weight.
Herring, sea, smoked.....Cwt.	672	2,172	153	1,277	7,923	27,909	19,128	3c. lb., if boned;	1c. lb., if boned;
Salmon, pickled.....Cwt.	36	342			250	1,732	15	1c. per lb., not boned.	1c. per lb., not boned.
Fish, canned—									
Clams, canned.....Cwt.			20	100	2	30	106	23% ad val., if razor clams;	15% ad val., if razor clams;
Lobsters, canned.....Cwt.	1,274	78,916	1,050	55,993	2,028	121,808	108,206	35% ad val., if other kinds.	35% ad val., if other kinds.
Fur skins, undressed—									
Beaver.....No.	3,177	34,174	5,777	89,353	18,406	222,536	354,954	Free.	Free.
Mink.....No.	4,213	57,058	3,603	51,721	85,440	1,042,165	841,088	Free.	Free.
Muskrat.....No.	32,201	46,799	18,709	28,426	188,462	280,632	185,134	Free.	Free.
Wolf.....No.	2,564	27,447	2,491	30,265	36,363	298,876	326,817	Free.	Free.
Leather—									
Harness leather.....						1,405	1,855	12% ad val.	10% ad val.
Patent leather.....		3,135		1,178		49,084	45,961	15% ad val.	10% ad val.

(a) Not separately shown prior to April 1, 1936.

(b) Includes "certified seed potatoes" prior to April 1, 1936.



## CANADA'S DOMESTIC EXPORTS TO THE UNITED STATES OF PRINCIPAL COMMODITIES, Etc.—Concluded

Commodities	Month of June				Six Months ended June				United States Tariff	
	1936		1937		1936		1937		1935	Canada-United States Trade Agreement (Jan. 1, 1936)
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value		
<b>Meats—</b>										
Poultry, dressed or undressed.....Lb.	87,296	21,096			96,412	23,893	220	\$	54 10c per lb.	6c. per lb., if chickens and guineas; 10c. per lb., if other poultry.
<b>Milk products—</b>										
Cheese.....Cwt.	3,462	48,759	3,558	55,657	35,665	476,794	26,512		398.280 7c. per lb., but not less than 25% ad val., if cheddar cheese in original loaves; 7c. per lb., but not less than 33% ad val., if other kinds of cheese.	5c. per lb., but not less than 25% ad val., if cheddar cheese in original loaves; 7c. per lb., but not less than 33% ad val., if other kinds of cheese.
<b>Cream.....Gal.</b>	1,380	1,723	15,428	26,918	5,796	7,818	43,681		76.060 56-6/10c. per gal.	35c. per gal. 56-6/10c. per gal. on imports in excess of 1,500,000 gals. during any calendar year.
<b>Whale oil.....Gal.</b>	78,659	19,958	100,242	27,981	78,659	19,958	100,242		27,981 5c. per gal.	24c. per gal.
<b>Wood, Wood Products and Paper</b>										
Shingle bolts of pine or cedar.....Cord	4	17	34	165	78	322	464		Free	Free
Stave and other bolts, n.o.p.....Cord	3,177	16,048	4,126	20,334	23,454	103,263	21,282		637 10% ad val.	10% ad val.
Firewood.....M	18,390	63,664	18,332	71,391	90,959	275,965	120,827		Free	Free
Laths.....M ft.	5,799	62,470	10,330	138,128	30,203	335,844	35,467		Free	Free
Masts and spars.....M ft.		20		250		20			\$1 per M ft. b.m., if fir; 50c. per M ft. b.m., if spruce, pine, hemlock or larch; free, if other kinds.	50c. per M ft. b.m., if fir; spruce, pine, hemlock or larch; free, if other kinds.
Pickets.....M	387	2,731	4,142	27,232	1,951	13,444	15,728		Free	Free
Piling.....Lin. ft.	10,955	1,612	56,921	3,403	176,635	13,024	135,812		9,929 \$ per M ft. b.m., if fir; spruce, pine, hemlock or larch; free, if other kinds.	50c. per M ft. b.m. if fir; spruce, pine, hemlock or larch; free, if other kinds.
<b>Planks and boards—</b>										
Flooring of hardwood.....M ft.	59	3,278	183	13,125	213	10,565	1,029		62.041 8% ad val.	8% ad val.
Planks and boards, softwood.....M ft.	53,755	1,154,591	49,407	1,292,603	247,888	5,408,753	253,869		6,919.313 \$ per M ft. b.m. and 50c. per M ft. b.m. Revenue Tax if fir, spruce, pine, hemlock or larch; (a) free, if other kinds of wood, but subject to \$3 Revenue Tax per M ft. b.m.	\$3 per M ft. b.m. Revenue Tax if fir, spruce, pine, hemlock or larch; (a) free, if other kinds of wood, but subject to \$3 Revenue Tax per M ft. b.m.
<b>Planks and boards, hardwood, n.o.p...M ft.</b>	2,474	84,828	4,186	183,087	13,762	474,210	25,987		1,089.221 Free, but subject to \$3 per M ft. b.m. Revenue Tax.	Free, but subject to \$1.50 per M ft. b.m. Revenue Tax.
<b>Poles—</b>										
Telegraph and telephone.....No.	26,709	66,942	47,500	144,877	91,658	256,150	158,557		458.352 Free.	Free.
Other poles.....No.		7,057		10		33,946			23.994 Free.	Free.
Posts, fence.....No.	63,572	8,934	115,809	8,934	295,977	25,194	521,382		43.601 Free.	Free.
Pulpwood.....Cord	111,607	895,281	175,704	1,507,967	327,684	2,188,839	475,327		3,398.031 Free.	Free.
Railroad ties.....No.	16,504	14,138	27,092	18,825	79,473	69,317	128,224		84.346 Free.	Free.
Shingles.....Square	160,172	418,339	207,009	612,233	929,598	2,429,333	1,090,394		3,110.522 Free.	Free.
Staves and headings.....		4,525		7,037		5,954			60.291 Free, if staves; 33 1/3% ad val. if headings.	Free, if staves; 33 1/3% ad val. if headings.

Timber, square, softwood.....	M ft.	821	15, 860	218	6, 468	3, 193	49, 975	987	24, 280	\$1 per M ft. b.m., if fir 50c, per M ft. b.m., if fir, spruce, pine, hemlock or larch, free, if other kinds. 25¢ free. 16, 865 727 Free. 45, 505 927 Free.
Timber, square, hardwood.....	M ft.									
Wood, pulp.....	Cwt.	5	2, 258, 646	4	80	6, 015, 219	17	8		
Paper—Newsprint.....	Cwt.	4, 211, 198	7, 434, 967	4, 848, 503	3, 024, 610	22, 247, 621	38, 499, 234	27, 246, 649		
IRON AND ITS PRODUCTS										
Farm implements—										
Cultivators.....	No.	67	7, 581	12	482	1, 368	99, 798	357	15, 077	Free.
Drills.....	No.	1	109	4	387	340	36, 033	336	36, 935	Free.
Harrows and parts.....	No.	418			7, 610	42, 341			64, 568	Free.
Harvesters and binders.....	No.	131	24, 491	509	94, 931	673	132, 704	1, 147	214, 418	Free.
Hay rakes.....	No.	18	679	41	1, 554	109	3, 117	130	4, 448	Free.
Mowers and reapers.....	No.	58	3, 854	55	3, 370	469	27, 324	180	10, 000	Free.
Ploughs and parts.....	No.		39, 850		54, 837		234, 295		382, 250	Free.
Reaper threshers.....	No.	50	55, 003	71	57, 830	141	153, 801	285	214, 527	Free.
Parts of farm implements, n.o.p.....	No.		25, 847		72, 321		350, 307		332, 271	Free.
Ferro-silicon.....	Ton	186	1, 800	1, 278	27, 604	2, 715	61, 738	6, 786	131, 197	2c. per lb. on silicon content, 1½c. per lb. on silicon content when containing 8% or more but not less than 30% of silicon.
Ferro-manganese and other ferro-alloys, Ton										
n.o.p.....	Ton	2, 464	64, 001	4, 157	192, 657	14, 992	385, 987	11, 944	529, 855	1½c. per lb. on manganese content, 1½c. per lb. on manganese content when containing not less than 4% of carbon. 15% ad val.
Skates.....										
Non-Ferrous Metals and Products										
Cobalt in ore.....	Cwt.	122	7, 205			460	24, 506	235	15, 026	Free.
Nickel in mine or spiss.....	Cwt.	10, 812	194, 638	21, 709	392, 399	57, 116	1, 028, 137	72, 239	1, 299, 640	Free.
Nickel in oxide.....	Cwt.	1, 194	23, 512	1, 866	36, 157	7, 840	158, 089	13, 342	268, 167	Free.
Non-Metallic Minerals and Products										
Abrasive, artificial, crude.....	Cwt.	122, 077	392, 837	167, 497	485, 827	702, 109	1, 761, 418	1, 013, 743	2, 608, 801	Free.
Asbestos.....	Ton	6, 056	343, 419	6, 599	368, 490	32, 897	1, 780, 302	44, 737	2, 426, 270	Free.
Asbestos sand and waste.....	Ton	13, 122	212, 780	15, 330	262, 891	58, 959	890, 135	95, 184	1, 609, 391	Free.
Fluapat.....	Ton	1, 329	9, 298	2, 315	17, 514	3, 198	21, 976	10, 155	81, 826	50c. per ton, if crude. 35c. per ton, if crude.
Gypsum, crude.....	Ton	57, 197	66, 588	83, 468	97, 783	101, 722	118, 780	216, 352	245, 525	Free.
Lime.....	Cwt.	26, 265	10, 839	26, 855	11, 713	107, 088	43, 490	99, 580	41, 153	Various.
Talc.....	Cwt.	12, 952	6, 092	11, 565	5, 664	80, 242	40, 312	76, 825	38, 182	35% ad val.
CHEMICALS AND ALLIED PRODUCTS										
Acetic acid.....	Cwt.	14, 710	78, 702	25, 207	134, 842	131, 389	708, 861	223, 127	1, 196, 201	2c. per lb., if over 65%. 1½c. per lb., if over 65%.
Cobalt oxides and cobalt salts.....	Lb.			19, 600	24, 592			19, 620	24, 606	20c. per lb., if oxides. 30% ad val., if salts.
Cyanamid.....	Cwt.	81, 858	77, 197	134, 363	142, 614	1, 478, 944	1, 540, 251	1, 861, 715	2, 071, 147	Free.
Sulphuric acid.....	Cwt.	1, 915	1, 355	2, 452	1, 390	8, 343	5, 511	14, 485	9, 176	Free.
MISCELLANEOUS COMMODITIES										
Organs.....	No.					2	6, 793	8	16, 261	35% ad val.
Total exports of above commodities.....			2, 931		18, 783, 815		98, 497, 168		120, 232, 851	
Total domestic exports to United States.....			26, 462, 157		45, 680, 251		166, 836, 015		230, 769, 912	

(a) Reduced rates not applicable to imports of Douglas fir or Western hemlock in any calendar year in excess of an aggregate quantity of 250,000,000 feet, board measure.



## MARKET FOR BUCKWHEAT HONEY IN THE NETHERLANDS

W. G. STARK, ACTING TRADE COMMISSIONER

(One florin or guilder equals \$0.55 at present rate of exchange, though prior to devaluation on September 26, 1936, it equalled approximately \$0.67; one metric ton equals 2,205 pounds; one kilo equals 2.205 pounds.)

Rotterdam, July 8, 1937.—Buckwheat honey, which is destined for use by confectioners and bakers, is not produced in the Netherlands, and there is a continuous interest in Canada as a source of supply.

A full report on the market for Canadian honey in Holland was published in *Commercial Intelligence Journal* No. 1706 (October 10, 1936), and details as to local market specifications are given therein. Copies of this issue are still available for interested Canadian firms. The Rotterdam office has received several requests from dealers in the Netherlands to be placed in touch with Canadian exporters for supplies for the forthcoming season.

### IMPORTS

In 1936 Canada supplied 215 tons valued at fl. 45,000 to Holland, compared with 45 tons valued at fl. 9,000 in 1935. Cuba is the principal source of supply, followed (in value) by Mexico, France, San Domingo, and the United States (chiefly from California).

The table below lists the total imports in 1935 and 1936, together with those in the January-to-May period of 1936 and 1937, with total imports in the respective preceding periods as a basis of comparison:—

Total Honey Imports	M. Tons	Fl. 1,000	M. Tons	Fl. 1,000
			Jan.-May, 1936	
1935 . . . . .	4,552	618	2,545	378
			Jan.-May, 1937	
1936 . . . . .	4,492	703	2,716	491
Country of Origin	1936		Jan.-May, 1937	
	M. Tons	Fl. 1,000	M. Tons	Fl. 1,000
Great Britain . . . . .	5	1	....	...
France . . . . .	244	87	97	37
Canada . . . . .	215	45	....	...
Chile . . . . .	34	6	....	...
Costa Rica . . . . .	62	10	....	...
Cuba . . . . .	2,132	293	1,947	327
San Domingo . . . . .	473	61	....	...
Haiti . . . . .	110	14	....	...
Mexico . . . . .	748	102	342	55
United States . . . . .	256	51	74	20
Guatemala . . . . .	143	25	120	26

As will be noted from the foregoing table, no supplies have been received from Canada during the first five months of the present year. In the January-to-May period of 1936, 136 tons valued at fl. 27,000 were brought in. Greater business could have been done in this last honey season—October, 1936, to July, 1937—had more honey been available for export to Holland.

### PRICES AND STOCKS

It is still too early to give any information about new-crop United States buckwheat honey offers. Cuba and Mexico do not grade their exports, but offer only honey of Cuban and Mexican origin. Current prices for these dark honeys are \$10.50 per 100 kilos for Cuban and \$10.25 for Mexican, both c.i.f. Rotterdam, packed in new barrels.



There are practically no stocks left of old-crop buckwheat honey, though there is some Mexican and Cuban honey in store in Holland. There is also some French (Brittany) honey left from last year, as this was originally quoted at rather high prices. New crop offers for this grade are not received until November or December.

Interested Canadian dealers are requested to forward offers to the Rotterdam office, together with sufficient samples for distribution among importers. Prices should be c.i.f. Rotterdam for honey packed in new barrels. Some imports are made in tins of 60 pounds each, but barrel packing is preferred. Information should be given as to whether prices are inclusive of agent's commission and at what rate.

Should Canadian firms wish to approach interested local companies direct, some suggested names are on file at the Department of Trade and Commerce, Ottawa, and in that event, a duplicate letter should be forwarded to this office.

There are no import restrictions on honey in the Netherlands, nor are there any regulations limiting the transfer of funds, payment being effected through the regular commercial channels.

The duty on bulk honey is fl. 5 per 100 kilos, to which is added a special tax of 1 per cent ad valorem, plus a turnover tax of 4 per cent on the duty-paid value.

There is no demand for table (clover) honey.

Last season Canadian honey was offered at about \$0.06 per pound, but later was increased and sales effected for as much as \$0.08 $\frac{1}{4}$  per pound c.i.f. Rotterdam.

## IMPORT TRADE OF NORWAY

### Items of Interest to Canada

RICHARD GREW, CANADIAN TRADE COMMISSIONER

Oslo, July 2, 1937.—The import trade of Norway during the calendar year 1936 was valued at 926,982,000 kroner, an increase of 101,890,000 kroner over 1935. Imports from Canada increased to 24,097,000 kroner as compared with 22,670,000 kroner in 1935. The detailed Norwegian import statistics have recently been published, and these specify the various commodities imported and show countries whence shipped to Norway. Of the items included in these statistics, the following have been selected as being of interest to Canadian exporters. The figures within parentheses indicate the 1935 imports.

### FOODSTUFFS

*Wheat.*—The total imports of wheat during 1936 decreased considerably, amounting to 139,904 tons (183,295), most of which came from Canada which shipped 101,786 tons (90,557). Other suppliers were Soviet Russia, Argentina, and the United States, which are credited with 16,414 tons, 9,891 tons, and 8,123 tons respectively, the corresponding 1935 figures being 14,522 tons, 68,507 tons, and nil.

*Wheat Flour.*—Imports also decreased, totalling 39,023 tons (43,128), about half of which came from Canada which supplied 20,000 tons (21,194); 6,954 tons (9,610) came from Great Britain and Northern Ireland, 5,065 tons (4,205) from the United States, and 4,621 tons (6,054) from France.

*Wheaten Groats.*—These imports totalled 1,570 tons (1,470), of which 692 tons (1,069) came from France, 646 tons (29) from Sweden, 113 tons (nil) from Hungary, 77 tons (185) from Great Britain and Northern Ireland, and 28 tons (10) from Canada.

*Rye.*—These imports also decreased, amounting to 122,874 tons in 1936 (140,638), the chief suppliers being Soviet Russia, which is credited with 68,414 tons (29,767), Poland and Danzig with 14,292 tons (20,769), Argentina with 13,379 tons (66,659), and Canada with 12,998 tons (6,985).

*Cakes and Biscuits.*—These were imported to a total weight of 10.2 tons (11.9), the bulk of this trade being divided between Great Britain and Northern Ireland, the Netherlands, and the United States; Canada is credited with 38 tons (115).

*Peas, Beans and Lentils.*—These imports totalled 5,780 tons (6,101), of which Poland and Danzig shipped 3,574 tons (2,634), the Netherlands 1,254 tons (983), Sweden 318 tons (100), and Japan 310 tons (982).

*Fresh Apples and Pears.*—These imports decreased to 2,275 tons (2,679), over half of which came from the United States which supplied 1,414 tons (1,838), while Australia shipped 743 tons (687), Argentina 47 tons (nil), South Africa 41 tons (97), Czechoslovakia 10 tons (nil), and Canada nil (8).

*Prunes.*—These were imported to a total weight of 1,880 tons (1,910), practically all of which came from the United States which contributed 1,821 tons (1,887).

*Raisins.*—These imports decreased to 1,862 tons (2,438), the bulk of which also came from the United States which shipped 1,064 tons (1,323), while Turkey is credited with 600 tons (637), Spain with 147 tons (200), Greece with 20 tons (68), Great Britain and Northern Ireland with 4 tons (2), and Canada with 3 tons (2.4).

*Dried Fruits.*—These were imported to the extent of 747 tons (866). The United States was credited with 715 tons (804.6). No imports are shown as coming from Canada in 1936, although in 1935 Canada was credited with 4.2 tons.

*Fresh Tomatoes.*—Imports were to a total weight of 252 tons (272.8), most of which came from the Canary Islands which shipped 188.4 tons (215.7), while 40.7 tons (53.1) came from the Netherlands, 14.1 tons (nil) from the British West Indies, and about half a ton from Canada (nil).

*Casings.*—Imports during 1936 totalled 322.3 tons (320.3), more than half of which, 193.6 tons (195.9), came from the United States, while Sweden is credited with 32.6 tons (28), China with 26.1 tons (28.4), Canada with 20.6 tons (2), Argentina with 15.9 tons (11.1), Denmark with 14.2 tons (33.8), and Great Britain and Northern Ireland with 8.3 tons (9.8).

*Meats.*—Unsmoked meat, other than in whole carcasses, was imported to a total of 468.2 tons, a considerable increase as compared with the 237 tons imported during 1935. The two largest suppliers were Argentina and Newfoundland, which shipped 123.3 tons (95.9) and 120.2 tons (nil) respectively; 50.3 tons (38.5) came from the United States, 47.5 tons (55.7) from Iceland, 42.3 tons (nil) from Canada, 26.2 tons (nil) from the Faroe Islands, and 22 tons (8.4) from Sweden.

*Fresh and Live Fish* (including frozen fish).—Imports aggregated 3,478 tons (3,685); the bulk of this trade was divided between Denmark and Sweden which supplied 2,332 tons (2,658) and 1,025 tons (869) respectively. Great Britain and Northern Ireland are credited with 61 tons (72), and Canada with 37 tons (nil).

*Salted Salmon.*—These imports increased to 295.9 tons (271.4), the largest suppliers being the United States, Canada, and Japan which shipped 156.8 tons (150.9), 87.7 tons (48), and 48.7 tons (66.4) respectively. Smaller amounts came from Sweden, Denmark, and Finland.

*Other Salted or Dried Fish.*—Imports decreased considerably, from 2,214.6 tons in 1935 to 1,119 tons in 1936. About half of these imports came from Great Britain and Northern Ireland, which are credited with supplying 594.7 tons (553.9), 281.3 tons (1,420.2) came from Iceland, and 108.9 tons (66.1) from the Faroe Islands, no mention being made of Canada which in 1935 was credited with 2.8 tons.

*Cheese.*—Imports increased to 122.7 tons (115.4), of which 63.4 tons (41.2) are credited to Denmark, 16.5 tons (12.3) to the Netherlands, 15.8 tons (15.6) to Switzerland, 11.3 tons (21.9) to France, 7 tons (8.4) to Great Britain and Northern Ireland, and 1.3 tons (0.5) to Canada.

*Dry Tobacco Leaves.*—These imports increased to 2,821.3 tons (2,619.8), the bulk of which, namely 2,114.7 tons (2,031.1), came from the United States, while Greece supplied 216.8 tons (172.8), Turkey 189.7 tons (130.2), Bulgaria 141.5 tons (82.5), and Dutch India 58 tons (55.2).

*Smoking Tobacco.*—These imports also increased, totalling 61.7 tons (52.1), of which the Netherlands are credited with 36.7 tons (33.4), Great Britain and Northern Ireland with 17.3 tons (8), and the United States with 5.7 tons (8.6).

*Spirituos Liquors.*—Imports in bottles increased to 300,913 litres (227,379), of which the bulk, 201,091 litres (154,205) came from Great Britain and Northern Ireland, 86,447 litres (60,395) from France, 5,927 litres (5,077) from the Netherlands, 2,694 litres (4,039) from Spain, 2,040 litres (1,135) from Denmark, and 1,068 litres (868) from Canada. The imports of spirituous liquors in casks also increased, their weight being given as 934.3 tons (848.2), France supplying 440.1 tons (332.9), and Great Britain and Northern Ireland 383.5 tons (404.6).



## TEXTILES

*Rope-yarn*, untarred, was imported to a total weight of 404.1 tons (395), the largest contributors being Belgium and Denmark, which are credited with 127.6 tons (72.4) and 112 tons (99) respectively. Other suppliers were Mexico with 44 tons (35), Austria with 25.4 tons (19.6), and the United States with 20 tons (26), no mention being made of Canada which shipped 8 tons in 1935.

*Real Silk Stockings and Socks*.—These increased considerably, aggregating 928 kilos (468), the bulk of this trade being divided between Germany, which shipped 279 kilos (150), the United States, which shipped 250 kilos (176), and Canada, which is credited with 225 kilos (39). Czechoslovakia and Sweden supplied 75 kilos (nil) and 55 kilos (nil) respectively.

*Artificial Silk Stockings and Socks*.—These were imported to the extent of 57,213 kilos (50,870), most of these imports coming from Germany and Czechoslovakia, which are credited with 34,815 kilos (25,512) and 20,368 kilos (22,442) respectively. The United States supplied 765 kilos (720), and Great Britain and Northern Ireland 314 kilos (710).

*Real Silk Fabrics*.—These imports weighed 7,650 kilos (6,914), the most important contributors being France with 2,452 kilos (2,262), Germany with 1,614 kilos (1,541), Japan with 1,013 kilos (740), Great Britain and Northern Ireland with 669 kilos (612), China with 531 kilos (371), and Switzerland with 508 kilos (393).

*Artificial Silk Stockinet and Net Material*.—Of these imports, which totalled 1,718 kilos (1,704), the majority came from Germany which supplied 1,166 kilos (1,044), while Great Britain and Northern Ireland are credited with 255 kilos (341), and Czechoslovakia with 159 kilos (153).

*Ready-made Garments of Artificial Silk Stockinet*.—These imports showed a remarkable increase, totalling 18,009 kilos (12,808). The largest contributor was Germany which supplied 9,744 kilos (6,974), while 3,631 kilos (2,766) came from Czechoslovakia, 1,759 kilos (1,255) from the United States, and 1,438 kilos (539) from Great Britain and Northern Ireland.

*Other Artificial Silk Goods*.—These aggregated 487,555 kilos (444,629), Germany supplying 148,051 kilos (111,500), Great Britain and Northern Ireland 93,764 kilos (97,135), Japan 83,806 kilos (63,256), Czechoslovakia 56,540 kilos (41,501), France 45,507 kilos (67,337), Switzerland 22,654 kilos (17,047), and the United States only 1,049 kilos (nil).

*Silk Clothing of All Kinds*.—These imports increased to 29,443 kilos (23,917), Germany being the most important supplier with 20,399 kilos (15,993), while Austria is credited with 2,327 kilos (2,119), Denmark with 1,918 kilos (1,604), and the United States with 1,499 kilos (1,114).

*Woollen Felt and Press Cloth*.—Imports for technical use (largely papermakers' felts) were imported to a total of 174,217 kilos (165,196), of which Sweden supplied 74,175 kilos (60,557), Germany 42,063 kilos (47,828), Great Britain and Northern Ireland 35,627 kilos (30,984), Austria 11,385 kilos (11,289), France 6,132 kilos (8,192), the United States nil (4,122), and Canada nil (230).

*Woollen Clothing*.—These imports increased to 59,764 kilos (50,764), of which about half came from Germany, which shipped 30,057 kilos (25,042), while Austria is credited with 8,189 kilos (8,077), Hungary with 6,905 kilos (4,358), Denmark with 5,027 kilos (5,159), Great Britain and Northern Ireland with 4,394 (3,674), Sweden with 1,926 kilos (1,697), and the United States with 631 kilos (543).

*Cotton Materials*.—The imports of cotton materials, weighing at least 400 grams to the square metre, increased to 280,540 kilos (233,261), the chief exporters being Belgium and Germany, which supplied 106,159 kilos (73,301) and 66,643 kilos (47,526) respectively. Great Britain and Northern Ireland are credited with 27,690 kilos (27,570), Czechoslovakia with 14,097 kilos (9,677), Japan with 13,504 kilos (13,445), and the United States with 3,814 kilos (3,149).

*Cotton and Linen Clothing*.—These imports increased to 117,716 kilos (107,386), the largest suppliers being Great Britain and Northern Ireland with 31,326 kilos (28,964), Germany with 29,962 kilos (28,052), Japan with 14,193 kilos (15,308), and the United States with 12,150 kilos (10,425).

## LEATHER AND LEATHER PRODUCTS

*Sole Leather*.—These imports decreased to 131 tons (137) in 1936, of which 33.3 tons (29.6) came from Germany, 25.6 tons (15) from Belgium, 23.7 tons (33.6) from Denmark, 18.4 tons (27.1) from Great Britain and Northern Ireland, 10.5 tons (12.4) from Sweden, and 9.3 tons (10.7) from France.

*Upper Leather*.—The imports of upper leather of all kinds totalled 219.7 tons (224.4), Great Britain and Northern Ireland being credited with 64.4 tons (66.9), Germany with 55.8 tons (72.3), Sweden with 36.2 tons (29.8), the United States with 21.9 tons (28), and Canada with 1.7 tons (1.7).



*Leather Footwear.*—This was imported to an increased total of 114 tons (90), the chief suppliers being Czechoslovakia with 37.5 tons (29.3) and Germany with 29.8 tons (22.5), while Switzerland is credited with 13 tons (13.1), Sweden with 8.3 tons (9.5), Great Britain with 6.3 tons (7.3), Finland with 4.7 tons (2.9), and the United States with 2.7 tons (3.8).

#### OILS AND RUBBER PRODUCTS

*Herring Oil.*—The imports of herring oil increased enormously during 1936, aggregating 13,504 tons as compared with only 9,557.7 tons in 1935. Most of this oil came from Iceland and Japan which shipped 7,635.4 tons (6,283.4) and 5,364.3 tons (2,711.7) respectively. Other suppliers were Portugal with 339.4 tons (89), Great Britain and Northern Ireland with 83.7 tons (223.3), Germany with 54.4 tons (nil), and Canada with 1.9 tons (163.6).

*Medicinal Cod Liver Oil.*—These imports decreased to 313.8 tons (591.4), the largest supplier being Japan which shipped 146.9 tons (235.5), Great Britain and Northern Ireland being credited with 75.4 tons, the Faroe Islands with 50.6 tons (20.5), Finland with 23.5 tons (21). Newfoundland and the United States are not mentioned in the 1936 statistics, although in 1935 they shipped 20.1 tons and 11.8 tons respectively.

*Miscellaneous Fish Oils.*—The imports of these oils declined to 2,755.7 tons in 1936 (3,449.8), most of which came, as usual, from Japan, which is credited with 2,203.2 tons (2,372.3), while Great Britain and Northern Ireland supplied 443.8 tons (295.4). No mention is made of Canada, which in 1935 shipped 29.5 tons.

*Mineral Oils.*—These were imported to a total of 12,626 tons (12,966), over half of which, 6,426 tons (7,295), came from the United States, other suppliers being Germany with 2,906 tons (2,123), Great Britain and Northern Ireland with 1,778 tons (2,057), and Denmark with 860 tons (839).

*Cellulose Lacquers.*—These imports decreased from 124.5 tons in 1935 to 98 tons in 1936. The chief exporters were Germany with 32.8 tons (35.5), the United States with 28.8 tons (41.5), and Sweden with 25.4 tons (30.2), while Great Britain and Northern Ireland shipped 6.9 tons (13.1).

*Automobile Tires.*—Norway imported automobile tires to a total weight of 524.3 tons during 1936 (636.2), the bulk of this trade being held by the United States which shipped 291.2 tons (371.4), while 73.9 tons (60.8) came from Great Britain and Northern Ireland, 47.3 tons (72.1) from Canada, 47.1 tons (57.4) from Belgium, 27.3 tons (25.4) from France, 20.8 tons (22.1) from Germany and 6.1 tons (16.7) from Italy.

*Inner Tubes for Automobiles.*—These are not specified in the Norwegian statistics, but are probably included under the item "Miscellaneous Rubber Goods."

*Rubber Soles and Heels.*—These imports aggregated 101 tons (112.4), of which the United States shipped 38.6 tons (51.5), Great Britain and Northern Ireland 28 tons (26.2), Belgium 20 tons (18.1), and Sweden 8 tons (8.1).

*Galoshes and Rubber Footwear.*—These imports decreased to 229.2 tons (290.6), the chief supplying countries being Sweden which is credited with 63.7 tons (62.8), Japan with 54.7 tons (103.2), Czechoslovakia with 18.3 tons (46.7), Germany with 19.5 tons (24.8), Canada with 15.4 tons (16.5), Finland with 9.6 tons (8.8), the United States with 9.2 tons (15.8) and Great Britain and Northern Ireland with 7.5 tons (9.6).

*Miscellaneous Rubber Goods.*—All other manufactures of rubber are grouped together in the Norwegian statistics, showing a total import figure of 876.3 tons (751.9), the United States and Great Britain and Northern Ireland being the largest suppliers, shipping 307.4 tons (234.6) and 292.1 tons (256.4) respectively. Germany is credited with 75.1 tons (45.7), Austria with 41.5 tons (35.7), the Netherlands with 34.3 tons (15.7), Japan with 26 tons (13), Dutch India with 23.1 tons (43), Belgium with 18.1 tons (14.2), Sweden with 14 tons (10), and Canada with 8.6 tons (13.2).

#### WOOD AND PAPER PRODUCTS

Norway's imports of wood and wood products are small and therefore not of very great importance, and the Norwegian statistics do not show any imports of these products as coming from Canada.

*Panelling and Insulation Board.*—This is one of the most important groups of paper products mentioned in the Norwegian import statistics, the total of which amounted to 1,709.1 tons, a considerable increase as compared with the 1,032.8 tons imported during 1935. The three principal suppliers were Sweden with 722.8 tons (642.5), Finland with 599.8 tons (177.6), and the United States with 325.5 tons (186.1), while Canada is credited with 48.6 tons (7.4), and Germany with 11.8 tons (7.5).

*Wall Paper.*—This was imported to an aggregate weight of 296.4 tons (243.8), of which 143.5 tons (104.4) were supplied by Germany, 103 tons (83.3) by Sweden, 28.9 tons (23.6) by Great Britain and Northern Ireland, and 5.4 tons (nil) by the United States.

*Printed Forms, Labels and Games.*—These are grouped together in the Norwegian statistics, imports increasing to 134.9 tons in 1936 as compared with 96.7 tons in the previous year. Germany shipped 55.3 tons (47), Sweden 44.8 tons (21.6), Great Britain and Northern Ireland 14.8 tons (12.6), Denmark 6.5 tons (6.4), France 5.6 tons (2), the United States 3.3 tons (3.5), and Canada a little under half a ton (nil).

#### MINERALS AND METALS AND MANUFACTURES THEREOF

*Coal.*—Imports totalled 2,291,446 tons (2,114,643), over half of which, 1,351,293 tons (1,342,672), came from Great Britain and Northern Ireland, while Poland and Danzig shipped 416,943 tons (460,587), Spitzbergen 273,015 tons (229,644), and Germany 243,301 tons (77,699).

*Carbon Electrodes.*—These imports increased to 4,782 tons (3,142), the most important supplier being Canada which shipped 2,373 tons (1,861), while 1,177 tons (819) came from Germany, 886 tons (203) from Great Britain and Northern Ireland, and 278 tons (18) from the United States.

*Nickel Copper Matte.*—This was imported to the extent of 9,223.9 tons in 1936 (9,020.5), all of which came from Canada. In 1935, however, small quantities were also credited to the United States and Great Britain and Northern Ireland.

*Raw Copper, Brass and Nickel Silver.*—These imports showed an enormous increase in 1936, totalling 1,255.4 tons (686.8), the bulk of which, 990.2 (418.4), came from the United States, Belgium being credited with 152.5 tons (178.2), Great Britain and Northern Ireland with 46.7 tons (60.1), Canada with 25.5 tons (nil), the Netherlands with 19.6 tons (3.9), Poland and Danzig with 7.7 tons (2.5), and Sweden with 7.4 tons (19.5).

*Raw Lead* imports decreased to 3,361.3 tons (3,718), practically all of which came, as usual, from Mexico which is credited with 2,951.6 tons (3,093.1), while Belgium is credited with 131 tons (18.9), Great Britain and Northern Ireland with 108.7 tons (121.6), Spain with 76.1 (382.2), and Peru with 60.7 tons (nil). No imports are shown as coming from Canada which in 1935 exported 55.9 tons.

*Bolts and Nuts of Iron and Steel.*—These were imported to a total of 849.6 tons as compared with 702.9 tons in the previous year. The countries of shipment were Germany with 307.3 tons (409.4), the Netherlands with 199.9 tons (52.7), Sweden with 159.4 tons (142.6), Great Britain and Northern Ireland with 87.6 tons (59.4), Czechoslovakia with 33.4 tons (nil), the United States with 28.1 tons (18.4), Belgium with 19.4 tons (7.7), and Canada with 3 tons (4.1).

*Copper and Bronze Wire.*—These imports increased to 4,014.7 tons (3,616), the bulk of this trade being credited to the United States which supplied 3,540.4 tons (2,911.2), the only other country of shipment specified being Sweden which supplied 461.9 tons (366.9).

*Saws and Saw Blades.*—The total import trade in saws and saw blades was valued at 529,768 kroner (510,847), over half of these imports coming from Sweden which is credited with 301,733 kroner (267,260), the United States shipping for 77,234 kroner (77,675), Germany for 76,523 kroner (85,770), and Great Britain and Northern Ireland for 58,628 kroner (63,755).

*Miscellaneous Tools and Implements.*—These were imported to a total value of 4,921,395 kroner, an increase as compared with 4,038,384 kroner in 1935. The bulk of this trade was divided between Germany and Sweden which are credited with 1,876,512 kroner (1,588,596) and 1,245,827 kroner (1,072,046) respectively. The United States shipped for 831,697 kroner (669,412), and Great Britain and Northern Ireland for 423,140 kroner (373,086).

#### SHIPS, VEHICLES, MACHINERY, ETC.

*Ships.*—Norway imported 27 (17) second-hand steamships to a total of 25,915 registered tons (28,061), 13 of which came from Great Britain and Northern Ireland, 7 from Sweden, 2 from France, and 1 from each of the following countries: Faroe Islands, the Netherlands, Germany, the United States, and Australia. No mention is made of Canada in the 1936 statistics.

*Passenger Automobiles.*—The number of new passenger automobiles imported increased to 5,124 (3,335) to an aggregate value of 13,808,000 kroner (9,408,000), of which 1,608 (1,147) came from Denmark where two United States assembly plants are located, 1,464 (938) from the United States, 1,107 (626) from Germany, 444 (329) from Great Britain and Northern Ireland, 337 (166) from France, and 136 (121) from Italy. The number of second-hand passenger automobiles imported increased to 1,092 (620) valued at 1,511,000 kroner (963,000). Of these, 840 (441) came from the United States, 204 (158) from Great Britain and Northern Ireland, and 9 (nil) valued at 11,000 kroner from Canada.

*Freight Automobiles.*—These were imported to a total of 3,751 units to an aggregate value of 10,445,000 kroner, a considerable increase over the 2,950 units, valued at 7,998,000



kroner, which were imported during 1935. These imports were mostly divided between the United States and Denmark, which are credited with having supplied 1,554 and 1,516 freight automobiles respectively.

*Automobile and Aeroplane Parts.*—These are grouped together in the Norwegian import statistics, having a value of 3,908,304 kroner in 1936 (2,659,701), the bulk coming from the United States which shipped for 2,500,837 kroner (1,822,372). Great Britain and Northern Ireland shipped for 533,831 kroner (302,289), Germany for 504,746 kroner (278,179), Sweden for 141,424 kroner (82,101), and Canada for 5,667 kroner (2,867).

*Accumulators and Parts.*—These were imported to a total weight of 558.7 tons (522.4), of which 187 tons (183.1) are credited to Germany, 173.5 tons (166.9) to the United States, 101.2 tons (84.4) to Sweden, 79.4 tons (64.3) to Great Britain and Northern Ireland, and 11.8 tons (19.1) to Canada.

*Gasolene Motors.*—These imports increased considerably to a total value of 576,261 kroner (374,204), Sweden and the United States sharing the bulk of this trade, being credited with 257,002 kroner (203,418) and 183,390 kroner (124,369) respectively. Other shippers were France with 57,927 kroner (19,613), Denmark with 25,407 kroner (2,293), Great Britain and Northern Ireland with 19,526 kroner (11,831), Germany with 15,035 kroner (8,333), and Canada with 8,107 kroner (nil).

*Conducting Wires.*—These were imported to an aggregate weight of 317.1 tons (242.2), most of which, 215.7 tons (168.9) came from Germany, 54.7 tons (28) coming from Belgium, 30.4 tons (23.1) from Sweden, 7.6 tons (6.4) from the United States, 3.6 tons (10.2) from Great Britain and Northern Ireland, and 1.2 tons (nil) from Canada.

*Vacuum Cleaners and Parts.*—These declined to an aggregate value of 559,290 kroner (610,604), the bulk coming from Sweden, Germany, and Denmark which shipped for 208,510 kroner (245,569), 172,487 kroner (193,408) and 153,592 kroner (154,062) respectively. The United States are credited with 11,136 kroner (5,697), the Netherlands with 9,233 kroner (nil), and Great Britain and Northern Ireland with 4,229 kroner (8,961).

*Adding and Calculating Machines and Parts.*—The value of these imports increased considerably, from 679,785 kroner in 1935 to 873,149 kroner in 1936. Most of this trade was divided between the United States and Sweden which are credited with 476,449 kroner (376,200) and 319,108 kroner (214,344) respectively. Germany shipped for 46,008 kroner (47,299), Switzerland for 24,756 kroner (8,416), and Canada for 1,395 kroner (nil).

*Mowing Machines* were imported to a total value of 812,967 kroner, a slight increase over the 1935 imports which were valued at 719,992 kroner. Practically all of these mowing machines came from Sweden which supplied for 656,211 kroner (599,759), while the United States shipped for 50,631 kroner (13,985). Germany for 47,038 kroner (61,319), France for 33,562 kroner (10,202), and Canada for 18,586 kroner (29,180).

*Machine Belting of all kinds.*—This was imported to an increased value of 425,196 kroner (378,646), the most important suppliers being Great Britain and Northern Ireland and the United States which shipped for 149,262 kroner (145,774) and 113,567 kroner (79,031) respectively. Sweden is credited with 77,110 kroner (53,677), Germany with 39,892 kroner (41,491), Belgium with 15,378 kroner (6,043), and Canada with 3,879 kroner (19,666).

## CONDITIONS IN NEWFOUNDLAND

A. E. BRYAN, INSPECTOR, CANADIAN TRADE COMMISSIONER SERVICE

### IV

#### Import Trade

The value of Newfoundland as an outlet for Canadian manufactured and farm products is not generally recognized by Canadian exporters. During the past twenty years this market has ranked high in the value of commodities purchased from the Dominion.

In 1921 the value of Canadian sales to Newfoundland reached \$16,688,000. Since that time business has varied from year to year but has averaged in the neighbourhood of \$10,000,000 per annum.

In 1933 Canadian exports to Newfoundland reached a low point of \$5,813,000, but in the meantime have shown substantial increases each year until 1936, when sales to the colony totalled \$7,635,000—an increase of 6.7 per cent over the former year. The value of this market is indicated by the fact that last year's per capita purchases by Newfoundland from the Dominion amounted



to \$27. On the other hand, Canadian purchases from Newfoundland on a per capita basis were only 26 cents.

The volume of orders from Newfoundland has varied in accordance with the general trend of imports into the country as a whole. Between 1930 and 1936 the value of the total import trade of Newfoundland declined by 35 per cent. Canadian sales during the same period decreased by 41.2 per cent. Between 1933 and 1936 total imports into Newfoundland showed an increase of 36 per cent, while Canadian sales increased by 31.3 per cent. During the same period the United Kingdom exports to Newfoundland increased by 38 per cent, due largely to the 10 per cent tariff preference which was accorded United Kingdom products.

#### DIVISION OF IMPORT TRADE

During the past two years Newfoundland was dependent upon Canada, the United States, and the United Kingdom for over 91 per cent of her total import requirements. Canada supplied 37.2 per cent in 1935 and 36.8 per cent in 1936. The United States supplied 29.6 and 29.9 per cent during the same two years, while the United Kingdom supplied 24.3 and 25.2 per cent. The remaining imports (8.9 and 8.1 per cent) were furnished by forty-nine other countries, the values in all cases being relatively small.

The following table shows the value of imports from the three principal supplying countries for the years ending June 30, 1935 and 1936:—

Countries	1935	1936
Canada . . . . .	\$ 7,154,731	\$ 7,635,451
United States . . . . .	5,700,234	6,199,929
United Kingdom . . . . .	4,683,940	5,232,606
Other countries . . . . .	1,701,520	1,623,107
Total . . . . .	\$19,240,425	\$20,691,093

Of the other supplying countries, the following had the largest share of the trade during the period under review, values for 1935 being shown within parentheses: Ceylon, \$273,819 (\$316,281); Denmark, \$216,803 (\$165,638); Germany, \$184,377 (\$178,134); British West Indies, \$163,893 (\$255,052); Holland, \$139,336 (\$150,167); and Spain, \$116,601 (\$99,813).

#### PRINCIPAL CANADIAN EXPORTS TO NEWFOUNDLAND

The difficulty of providing a concise statement of sales to Newfoundland is apparent when it is realized that there are more than 300 articles comprising both manufactured and farm products of which Canadian sales total \$1,000 or more. Total imports into Newfoundland of principal importance to the Dominion, together with the amounts supplied by Canada, may be indicated as follows:—

Commodity	Year ending June 30, 1936	
	Total Imports	From Canada
Flour . . . . .	\$1,802,754	\$1,343,372
Meats, etc. . . . .	1,114,962	687,207
Coal and coke . . . . .	1,270,801	452,556
Machinery . . . . .	763,853	355,419
Clothing . . . . .	1,314,359	346,138
Gasolene . . . . .	340,907	330,462
Rubber boots, shoes . . . . .	652,969	327,195
Paper (other than news) . . . . .	375,069	173,701
Milk (tinned) . . . . .	230,722	156,289
Oats . . . . .	143,040	132,545
Kerosene oil . . . . .	110,293	100,980
Offals of grain for cattle feed . . . . .	139,465	100,910
Yeast . . . . .	102,178	72,556
Confectionery and chewing gum . . . . .	237,939	71,604
Cheese . . . . .	69,674	65,055
Hay . . . . .	63,030	63,018
Furniture of wood . . . . .	91,441	60,072
Sugar, n.e.s. . . . .	312,489	54,448
Fresh and dried apples . . . . .	108,663	52,514
Acids, drugs and medicines . . . . .	274,544	51,573

## ADVANTAGES TO CANADA

The Newfoundland market offers many advantages to Canada. Geographically, Canadian firms are in the best position to supply this market. Currency, language, and customs are the same. Canadian banks, with branches in all the main centres of Newfoundland, are in a position to facilitate business. Excellent shipping facilities are available between ports of the Dominion and Newfoundland with the result that it is unnecessary for merchants in St. John's, Corner Brook, Grand Falls, and other centres, to tie up large amounts of capital through carrying heavy stocks of merchandise. They are able to maintain a constant supply by small regular shipments. As Canadian currency is legal tender in Newfoundland there is no exchange problem to complicate purchases. Communications, particularly telegraph and cable services, are efficient and comparatively cheap.

The market is of special value to manufacturers located in the Maritimes and Quebec. Much of the surplus agricultural products of these provinces find a ready market in Newfoundland such as hay, oats, dairy products, apples, potatoes, and live cattle. Newfoundland is dependent upon foreign sources of supply for a great many of its necessities, particularly food products and certain manufactured lines which are produced in Canada.

Finally, there is in Newfoundland a distinct tendency to purchase Empire goods. Ninety-eight per cent of the population are British, and it is natural for them to extend preferred treatment to goods produced within the Empire.

## MUST SERVICE CUSTOMERS

Exporters cannot expect to secure business unless they are prepared to extend the same close attention and service to their customers in Newfoundland as they must devote to domestic outlets. The city of St. John's, the principal distributing centre, is equi-distant from Liverpool and Montreal (approximately 1,600 miles). Steamship services from Liverpool are excellent, although not so frequent as between St. John's, Newfoundland, and Canada.

Canadian manufacturers should send their own travellers to the Colony at least once a year to obtain contacts and assist their agents, and they should be prepared to help their representatives with a certain appropriation for advertising. The commodities which command the largest sales are those which are featured in the newspapers, on the radio, and through other types of advertising.

## HOW BUSINESS IS HANDLED

There are four media through which manufacturers may market their goods in Newfoundland: (1) manufacturers' agents; (2) importers and jobbers; (3) wholesale merchants; (4) branch offices.

Manufacturers' agents are numerous and it is important to choose one who is well regarded by the trade generally, and of proved reliability. There are a number of agents of this kind available who are desirous of representing Canadian firms. These agents are in contact with the large department stores, wholesalers and retailers, take orders on samples, and at prices subject to confirmation by their principals. The goods are shipped direct to the buyers, usually cash against documents, although some suppliers sell on a basis of thirty days sight drafts.

The importer and jobber is the agent who imports and carries continuously a stock of merchandise which he sells direct to the merchants, both wholesale and retail. He must be a man of some means, because the stocks he carries run into quite a large figure and he usually settles for all purchases, cash against documents, or on terms of thirty or sixty days. These concerns are comparatively few in Newfoundland, but all have expressed an interest in handling Canadian goods if these are competitive in price.



There are also the large wholesale and retail merchants, who import direct on their own account, carry heavy stocks, and reach the outport trade through salesmen in contact with small retailers throughout the Colony. There are ten or twelve firms of this kind in Newfoundland, some of which have branch establishments at Corner Brook, Grand Falls, and other points in the western section of the Island. Most of them are wealthy and some have been in business for more than a hundred years and are already carrying many Canadian lines. The retail departments of some of these firms compare favourably, both in general appearance and in the assortment of goods carried, with the larger retail stores in Canada.

Finally, it may be stated that a number of Canadian manufacturers are already marketing their products through branch offices which they maintain in Newfoundland. This method can be justified only where the potential volume of sales makes it worth while, but it is of course by far the most satisfactory way of catering to the requirements of the market as their own experts are in constant touch with day-to-day developments.

The development of sales in Newfoundland depends largely on the nature of the product, on whether technical service or supervision is required, and on the potentialities of the business offering. A personal canvass of the situation is recommended before definite commitments are undertaken.

#### REGULATIONS REGARDING SALESMEN VISITING NEWFOUNDLAND

Commercial travellers who visit Newfoundland to solicit business are subject to a tax of \$25 payable to the City of St. John's. The permit received is valid until the end of the year of issue and enables a salesman to solicit orders all over the Island. If a Canadian manufacturer already has a resident agent in Newfoundland, no permit is necessary.

Before proceeding to Newfoundland, salesmen should prepare invoices in triplicate with complete lists of samples carried. Sample trunks may be checked through in bond to destination, where the Customs will examine them and check invoices, whereupon instead of paying customs duty a bond may be lodged with the Customs authorities, which bond will be returned at port of departure after the samples have again been checked by Customs officials. It is not necessary for salesmen to depart from the port of entry as long as the Customs authorities receive notification of departure in advance.

#### IMPORTS OF FOOD PRODUCTS

Imports of certain food products of interest to Canada are shown in the following tables. Totals for each commodity are given together with principal countries of origin. All figures are for the year ending June 30, 1936.

##### *Oats*

	Bushels	\$
Total .. . . .	370,902	143,039
United Kingdom .. . . .	6,516	4,087
Canada .. . . .	349,550	132,545
United States .. . . .	7,000	2,709
Chile .. . . .	400	155
Belgium .. . . .	2,044	994
Holland .. . . .	5,316	2,502

##### *Dried Peas*

	Pounds	\$
Total .. . . .	1,719,280	44,348
United Kingdom .. . . .	645,317	15,064
Canada .. . . .	477,867	13,702
United States .. . . .	93,085	2,890
Holland .. . . .	220,800	5,172
Belgium .. . . .	26,268	785
Japan .. . . .	123,249	3,714
Germany .. . . .	132,394	2,994



*Dried Beans*

	Pounds	\$
Total . . . . .	2,266,682	53,972
United Kingdom . . . . .	87,817	2,388
Canada . . . . .	1,055,380	19,039
United States . . . . .	802,363	26,988
Holland . . . . .	124,448	2,613
Japan . . . . .	190,846	2,805
Chile . . . . .	2,040	37

*Corn*

	Pounds	\$
Total . . . . .	551,309	7,214
United Kingdom . . . . .	439,417	4,607
Canada . . . . .	111,892	2,606

The duty on oats entering Newfoundland is 5 cents per bushel. The duty on dried peas and dried beans is \$1 per 100 pounds, and on corn 24 cents per 100 pounds.

The total value of grain imported into Newfoundland during 1936 was \$248,575, of which Canada was responsible for 67·5 per cent, or \$167,892.

## OATS

Formerly Canada supplied practically all of the oats imported into Newfoundland, but in recent months Canadian prices have been too high compared with quotations from the Continent (Russia, Holland, and Lithuania) and the United Kingdom. On March 15, 1937, Dutch oats were not only 30 cents per bushel cheaper, but the quality was said to be better than No. 2 feed or No. 3 C.W. oats, in fact it was stated that these Dutch oats were equal to No. 2 C.W.

## DRIED PEAS

There is a good demand in this market for Canadian peas, especially those known as large round peas, "Giants" or "Canadian Beauty," which are preferred to any other so long as prices are competitive with Continental varieties. Fairly large shipments of Canadian peas from the Chatham and Alliston districts arrived last year. These were said to be about the best quality of any received but on account of a short crop buyers were not able to fill their total requirements.

The market calls for about 60 per cent split peas, 30 per cent round or giant peas, and 10 per cent marrow-fat peas. Buyers are somewhat critical of Canadian split peas, which are said to be neither so uniform nor so well polished as the peas imported from the United Kingdom, a great proportion of which originates in Holland.

## BEANS AND LENTILS

A few years ago Kotanashi and Otanashi beans from Japan were predominant in this market. The public taste has been tending more to Canadian beans of late, although supplies from Canada have been made difficult recently on account of lower prices quoted by Holland.

A number of inquiries have been received recently from importers for oats, peas, and beans, and Canadian suppliers with anything to offer for this market should advise the Department of Trade and Commerce.

## WHEAT FLOUR

The following figures show imports of wheat flour by countries for the year ending June 30, 1936:—

	Barrels	\$
Total . . . . .	422,143	1,822,754
United Kingdom . . . . .	65,957	206,286
Canada . . . . .	294,268	1,342,371
United States . . . . .	59,122	260,393
Australia . . . . .	1,510	7,009
St. Pierre . . . . .	1,286	6,694

There is no duty on flour entering the colony.

Newfoundland has always been one of the most important outlets for Canadian wheat flour. Last year Canada supplied 73·6 per cent of the total imports. The average importations are 387,113 barrels per annum. In 1920, however, Canada shipped 425,803 barrels.

Newfoundland is the largest per capita user of flour in the world, ranging from 1½ to 2 barrels. Moreover 75 per cent of the requirements is for the best quality top patent flour.

#### CANADIAN FLOUR SHIPMENTS

Exports of wheat flour from Canada to Newfoundland for the past five crop years ending August 31 were: 1932, 253,289 barrels; 1933, 318,992 barrels; 1934, 345,343 barrels; 1935, 252,230 barrels; and 1936, 282,843 barrels. (A barrel contains 196 pounds of flour.)

Ten years ago Canada had a monopoly of this business, but in recent years United States mills, operating in Buffalo and Minneapolis, have been able to import Canadian wheat, mill it in bond and ship it by lake steamer direct to Newfoundland in competition with Canadian millers. There is no import duty on flour.

#### "DOLE" FLOUR

At the present time there are over 75,000 people on relief in Newfoundland, and the Commission of Government are purchasing a specially milled flour for relief requirements. "Dole" flour must be of the following standard: moisture, 12·9 per cent; ash, 0·86 per cent; protein, 11·17 per cent; acidity, 0·54 per cent; wet gluten, 31·15 per cent; dry gluten, 9·90 per cent; branny matter, 13·70 per cent.

This flour was recommended by the Royal Pharmaceutical Society of England as the best type of flour for those on relief, due to the fact that many of them suffer from constipation and beri-beri as a result of lack of vegetables, meats, etc., and an improperly balanced diet.

"Dole" flour calls for so much bran that if Canadian mills are to interest themselves in the business it will be necessary for them to adjust their machinery to produce this special grade. Individual orders are not always sufficiently large to warrant mills doing this, but in October last the Commission of Government decided to purchase in larger quantities. Tenders for 5,000 tons (100,000 bags) were called for, and 60 per cent of the order was filled by Canadian mills, the balance being placed with mills in the United Kingdom.

In January and again in February of this year the Commission of Government purchased direct (without tender), 10,000 bags of flour. Both of these orders went to United Kingdom mills. In April of this year the Supplies Division of the Department of Public Works, St. John's, ordered through the Crown Agents in London an additional 30,000 bags, 10,000 bags for delivery on May 15, and 5,000 to be delivered on the 15th of July, August, September, and October. English-milled flour was again specified. In the fall it will be necessary for the Commission of Government to place further orders for flour to cover winter requirements.

The best season for marketing flour in Newfoundland is between September and December, because at this time the outports purchase heavily in order to accumulate supplies for the winter months. Importers in St. John's formerly brought in six months' supply of flour in the fall. Now, with more frequent steamship sailings, this is not so necessary, although freight rates via direct steamers from the Great Lakes during navigation make it cheaper to import flour in the fall months. Owing to the difficulties of transportation between St. John's and the outports during the winter, it is essential for the numerous outports to arrange for large shipments in October-November to carry them through until such time as the harbours are free of ice.



## PACKING REQUIREMENTS

Flour is purchased in calico bags of 98 pounds and barrels of 196 pounds net. It is said that years ago flour was preferred in sacks, not only because it was cheaper but also because strong calico sacks were found to make good dresses for the womenfolk of the outports who could not afford dress materials. The calico sacks, when cut up and dyed, apparently made satisfactory dress lengths, and during the last three years the unemployment situation has been so acute in Newfoundland that flour sacks have again become popular for dress-making purposes. More flour has therefore been imported in sacks than in the more expensive barrels.

The Department of Public Health, which is responsible for the distribution of "dole" flour, claims it is essential that the material used for making flour bags should be very strong. In recent shipments from Canada many bags were found to be torn on arrival, and it was pointed out that the Canadian bags were inferior to those employed by United Kingdom mills. Flour, and particularly "dole" flour, receives much handling. It is usually landed at St. John's and transhipped several times before reaching its final destination. It is very important therefore that the strongest type of bag should be supplied.

All dole flour from United Kingdom mills is labelled with a blue crown; when purchased from Canada the crown is red in colour.

Flour is the chief Canadian commodity exported to Newfoundland. Nearly all the large import houses hold an agency for some flour mill. Five United States mills and two United Kingdom mills, in addition to many Canadian mills, are represented. Under the circumstances there are usually large stocks of flour on hand at all times, and in the middle of March last, when flour was quoted at \$7.10 per barrel c.i.f. St. John's, it could be purchased from stock at \$6.60 per barrel.

## SOFT WHEAT FLOUR

In addition to a number of bakeries in St. John's and other towns, there are two large manufacturers of fancy cakes and biscuits who use soft wheat flour. Most of this flour is supplied from the United Kingdom. This business might present opportunities for Canadian mills producing a soft wheat flour provided the quality complied with the requirements of these bakeries, which are accustomed to flour milled in the United Kingdom blended with certain proportions of Argentine, American, and Australian wheats.

This soft wheat flour is imported in jute bags (of 140 pounds) turned inside out. The bags are turned right-side out later, and used by the biscuit companies for packing one of their most important products, "brewis," a sort of hard-tack or hard biscuit. Brewis with salt codfish is considered a great delicacy not only by the fishermen but by the wealthier classes as well. Large quantities of brewis are consumed in Newfoundland, and it is exported for sale to Newfoundlanders living in the United States and Canada.

## OTHER CEREAL IMPORTS

Other cereal products imported into Newfoundland during 1936 included 10,587,024 pounds of cattle feeds valued at \$139,466, 29,725 barrels of corn meal valued at \$63,522, and 1,186,668 pounds of oatmeal and rolled oats valued at \$30,401. Malt was imported to the value of \$22,959, and farinaceous preparations valued at \$28,486.

Of these imports, Canada supplied 53 per cent of the total malt, oatmeal, rolled oats, corn meal, cattle feeds, and farinaceous preparations. Total imports were valued at \$284,835; Canada's share was \$161,201.



#### OATMEAL AND ROLLED OATS

Rolled oats is an important article in the diet of Newfoundlanders and imports last year were valued at over \$30,000, with approximately 90 per cent coming from Canada. A number of Canadian flour mills are also shipping oatmeal to this market and nearly all well-known Canadian brands are on sale. The import duty amounts to 50 cents per 100 pounds when shipped in packages containing 7 pounds or over. The weight of the container is included for duty purposes.

#### CATTLE FEEDS

Last year Canada sold over \$100,000 worth of cattle feeds to Newfoundland. Other suppliers were the United Kingdom and the United States. The total requirements amounted to over 5,000 tons and consisted principally of bran, meal, peas, oilcake and oilcake meal, cottonseed cake, cottonseed meal and other preparations for cattle, dog biscuits, and chicken feed. There is a steady demand for feeds of all kinds, and firms in a position to quote may obtain the names of importers from the Department of Trade and Commerce, Ottawa.

#### FARINACEOUS PREPARATIONS

Under this item are listed rice and rice flour, sago, tapioca, corn flour, farina, dextrine, and potato flour (except starch). Last year Canada supplied about two-thirds of the total requirements.

### TRADE OF YUGOSLAVIA IN 1936

A. B. MUDDIMAN, CANADIAN TRADE COMMISSIONER

(One dinar at par equals 1·76 cent Canadian, but average quotations during the year were 2·3 cents. Figures between parentheses are for corresponding previous periods.)

Milan, June 10, 1937.—Total exports from Yugoslavia during 1936 amounted to dinars 4,376,152,873 (4,030,360,017), an increase of 8 per cent, and imports into the country to dinars 4,077,009,616 (3,699,774,517), an increase of 10 per cent over 1935. The favourable trade balance fell from dinars 330,585,500 to dinars 299,143,257, or by 9 per cent, and the ratio of the exports to the imports from 108·94 per cent to 107·33 per cent. However, 1936 was the sixth consecutive year that the country had been able to close the year with a favourable trade balance.

The above figures—total exports and imports—converted into dollars at the rate of one dinar equals 2·3 cents Canadian give the amounts of \$100,-651,516 and \$93,771,221 respectively.

#### EXPORTS

Germany, as in 1935, was the chief purchaser of Yugoslavian goods, having increased her percentage from 18·65 to 23·74. Exports to Germany were valued at dinars 1,039,059,000 as compared with dinars 751,465,000 in 1935. Austria was second in importance as a consuming country, having taken goods valued at dinars 640,316,000, or 14·63 per cent of the total exports. In 1935 Austrian imports from Yugoslavia amounted to dinars 577,157,000, or 14·32 per cent.

Shipments to Czechoslovakia during 1936 were valued at dinars 539,866,000 as against dinars 540,027,000 in 1935, the respective percentages being 12·34 and 13·40. The United Kingdom took goods valued at dinars 431,730,000, or 9·87 per cent, as against dinars 212,267,000, or 5·27 per cent, in 1935.

The values, in dinars, of exports to the various other countries trading with Yugoslavia are as follows, the figures within parentheses being for the year 1935: Greece, 246,387,000 (140,903,000); Belgium, 226,840,000 (136,211,000); United States, 214,027,000 (224,778,000); Hungary, 164,554,000 (200,668,000); Italy, 137,192,000 (672,321,000); Switzerland, 98,028,000 (97,487,000); France, 86,283,000 (62,793,000); Poland, 61,002,000 (67,059,000).

The large decrease in shipments to Italy was due to "sanctions." Italy took only 3·13 per cent of the total exports in 1936 as compared with 14·63 per cent in 1935.

### IMPORTS

The principal commodities imported into Yugoslavia were as follows: cotton thread, machines, instruments, apparatus, raw cotton, articles of steel and iron (not machinery), woollen fabrics, cotton fabrics, conveyances of all kinds including ships, electric appliances, silk thread, raw wool, wool thread, raw hides, rails and steel railroad supplies, coal, wrought iron, artificial organic colours, raw naphtha, and coffee.

Germany, as in previous years, was the largest source of supply. Imports from Germany amounted to 26·68 per cent of the total as compared with 16·17 per cent in 1935. Czechoslovakia occupied second place with 15·35 per cent as against 13·97 per cent. Austria was third in importance with 10·30 per cent compared with 11·92 per cent for 1935. Italy, owing to "sanctions," fell from fifth to eighth place. A closer commercial relationship between Germany, Yugoslavia, and Italy will probably become more pronounced during the coming year.

### IMPORTS FROM PRINCIPAL SOURCES OF SUPPLY

Imports from the first six leading supplying countries were, in dinars:—

*From Germany.*—Machinery, 130,066,983; coal and coke, 57,718,086; colour and dyes, 57,125,425; electrical appliances, 53,570,333; wool fabrics, 52,655,224; artificial silk thread, 46,304,450; wool thread, 31,302,682; bicycles and parts, 26,795,886; gold, 22,972,350; iron sheets, 21,391,068; passenger automobiles, 19,301,376; trucks, 16,905,861; tires and tubes, 6,663,409.

*From Czechoslovakia.*—Cotton thread, fabric, etc., 217,663,118; wool thread, fabric, etc., 122,778,730; iron and iron sheets, 26,106,515; machinery, 23,595,281; linen thread, 16,168,921; chinaware, 15,396,593; railway material, 13,334,622; freight cars, 11,853,407; wood-pulp, 8,054,182; coal and coke, 7,464,586.

*From Austria.*—Cotton thread, fabric, etc., 50,734,155; cardboard, paper, and printed matter, 50,499,722; wool thread, fabric, etc., 28,078,177; electrical appliances, 24,619,188; iron and steel, both raw and manufactured, 19,817,426; wood-pulp, 15,747,012; machinery, 15,285,907; artificial silk thread, 11,591,152.

*From the United Kingdom.*—Cotton thread, fabric, etc., 82,360,718; raw wool, 39,193,513; machinery, 38,138,114; wool thread, fabric, etc., 37,228,195; gold, 20,880,189; lead, 9,379,090; iron pipes, 8,948,119; rubber and waste, 7,723,388; jute, 7,297,448; ships, 3,213,000; tires and tubes, 2,285,835.

*From the United States.*—Raw cotton, 167,116,125; scrap iron, 11,001,514; oils, 10,852,307; copper, 9,108,975; automobiles, 8,590,230; films, 4,712,451.

*From Hungary.*—Iron and iron sheets, 39,937,508; railway material, 25,363,714; electrical appliances, 10,218,580; machinery, 10,051,603; silk fabrics, 6,311,416; freight cars, 5,402,178; tanned leather, 3,977,091; iron products, 2,591,396.

### TRADE WITH CANADA

Imports from Canada in 1936 amounted to dinars 479,496, about \$11,028, the chief products being lumber, dinars 247,128 (\$5,683); tires and tubes, dinars 44,020 (\$1,012); and harvesters, dinars 36,540 (\$840).

Exports to Canada totalled dinars 47,800 (\$1,099), the principal commodities being medicinal plants and musical instruments.

During 1935 imports from Canada amounted to dinars 467,413, about \$10,740, and exports to Canada totalled dinars 84,711 (\$1,948).



## TRADE COMMISSIONERS ON TOUR

The following Canadian Trade Commissioners are now on tour in the Dominion: Mr. F. W. Fraser, Kingston, Jamaica (whose territory covers Jamaica, Haiti, the Bahamas, and British Honduras); Mr. G. R. Heasman, Cape Town, South Africa (whose territory includes Cape Province and South-west Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar); and Mr. L. S. Glass, Rio de Janeiro, Brazil. Their itineraries are as follows:—

### Mr Fraser

St. Johns, P.Q. . . . .	July 26	Halifax . . . . .	Sept. 2 to 4
St. Stephen, N.B. . . . .	Aug. 2	Stewiacke and Kentville . . . .	Sept. 7
Grand Manan. . . . .	Aug. 3 to 6	Truro and Pictou . . . .	Sept. 8
Saint John . . . . .	Aug. 7 to 10	Charlottetown . . . . .	Sept. 9 and 10
Digby, Yarmouth, and Carleton . . . . .	Aug. 30	Port Elgin, Amherst and Sackville . . . . .	Sept. 11 to 13
Lockeport, Liverpool and South Brookfield . . . .	Aug. 31	Sussex and Fredericton . . . .	Sept. 14
New Germany, Lunenburg, Bridgewater and Mahone Bay . . . . .	Sept. 1	Grand Falls . . . . .	Sept. 15

### Mr. Heasman

Montreal . . . . .	July 26 to 31	Halifax . . . . .	Aug. 12
Granby . . . . .	Aug. 3	Truro . . . . .	Aug. 13
Quebec . . . . .	Aug. 4	Moncton . . . . .	Aug. 16
Fredericton . . . . .	Aug. 6 and 7	Ottawa . . . . .	Sept. 16
Saint John . . . . .	Aug. 9 and 10		

### Mr Glass

Winnipeg . . . . .	July 26	Windsor . . . . .	Aug. 17
Toronto . . . . .	July 29 to Aug. 10	Saint John . . . . .	Aug. 20 and 21
Kitchener . . . . .	Aug. 11 and 12	Halifax . . . . .	Aug. 24 and 25
Hamilton . . . . .	Aug. 13 and 14	Montreal . . . . .	Aug. 27 and Sept. 8
London . . . . .	Aug. 16		

Firms who wish to be brought in touch with the Trade Commissioners should communicate for Winnipeg and Toronto, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other cities with the respective Board of Trade or Chamber of Commerce.

## NEW LIVE-STOCK PRODUCERS' ORGANIZATION IN ARGENTINA

J. A. STRONG, CANADIAN TRADE COMMISSIONER

Buenos Aires, June 23, 1937.—The Argentine Government have just issued a new decree establishing a second live-stock producers' organization entitled "Mercados de Haciendas y Carnes" or "Live-stock and Meat Markets." The set-up of this new organization parallels and its functions are complementary to those of the National Meat Producers' Corporation which was established two years ago.

The functions of the present organization cover the rental, construction or exploitation directly or through third parties of live-stock markets, meat markets, cold storage plants or warehouses throughout the country in order to facilitate the efficient physical distribution, as apart from merchandising, of live stock and meats under hygienic conditions to the end of stimulating consumption of meats. It will have a capital of \$10,000,000 (Canadian) obtained through the medium of the National Meat Board, which is a government body, from the present 1 per cent tax on all live-stock sales. All live-stock producers will be shareholders by virtue of and to the extent of their contribution through this sales tax as allotted to their organization.

The National Meat Producers' Corporation engages in the actual merchandising of live stock and meats in both the domestic and export markets. In addition, it has been granted \$16,500,000 (Canadian) by the Government for the purpose of construction or purchase of a meat packing plant to process its purchases from producers. All live-stock producers are shareholders as in the case of the new organization, but are at liberty to sell their live stock to the privately owned packing plants. The purpose of this organization is to raise the price level to producers and to lessen the spread from consumer prices, to avoid sharp fluctuations in prices by supporting the market as conditions warrant, and to obviate possible discrimination against individual live-stock producers. The objective is possibly to handle only a percentage of the business in direct competition with private trade sufficient to enable the organization to establish effective standards of efficiency in marketing and processing in the interests of the primary producer.<sup>1</sup>

These two producers' organizations are believed to be singular in their form. They might be described as compulsory limited-liability co-operatives operating directly under government authority and general supervision, but fully independent and responsible to their shareholders or the producers for the efficiency of their own actual operations. They are not compulsory in the sense that the producer must deliver part or all of his product to the organization of which he is a shareholder, but are compulsory in that all producers automatically become members of the organization and must contribute to its support through payment of the sales tax collected directly by the Government in the general interest of all producers.

#### GRAIN TRADE

It may not be feasible for an organization of a similar type to be set up to include the grain producers in Argentina. The difficulty lies in the fact that the actual grain producers are tenant farmers and so form a rather unstable base on which such an organization could be established. If the position of the grain farmer were similar to that of the live-stock producer who generally owns his land, it might well be done.

It seems evident, however, that the general policy of the Argentine Government is to continue to extend their control of production and trade over a still wider field, preferably limiting direct governmental intervention to supervision and encouragement or even financial aid and allowing the individual to work out his own problems under their authority. Exchange control, which is used to keep aggregate imports within bounds, make preferences as between supplying countries effective and provide a source of revenue, is considered to represent only one aspect of this general policy.

### MEXICAN LIVE-STOCK INDUSTRY

S. G. MACDONALD, ACTING TRADE COMMISSIONER

Mexico City, July 8, 1937.—As cattle of all kinds were quite foreign to the native population of Mexico in the early stages of Spanish development, no proper care was taken in either of the branches of feeding or propagation. In fact, this condition has been almost continuous up to the present day for, with the exception of large land-holders, usually from Spain or the United States, the peons and small holders of land have always been extremely apathetic in all matters of animal husbandry. Some fifty years ago a number

<sup>1</sup> So far the National Meat Producers' Corporation has shown a profit, but it has been operating on a rising market. The final test will come when the Producers' Corporation has to purchase live stock on a falling market.



of Spanish and United States land-holders, particularly in the more northerly and central states of Mexico, began the importation of pure-bred cattle and horses, as well as other domestic animals. While most of this stock was from the United States and Great Britain, smaller numbers were obtained in Germany, France, the Netherlands, Jamaica, and Canada. These large ranches developed their breeds well under the adverse circumstances of apathy and opposition on the part of many of their employees who were unable to understand the necessity of careful breeding and feeding of cattle.

### GROWTH OF INDUSTRY

The work of these ranchers was well repaid, for the industry grew rapidly and during many years the United States was an important export market, only falling away since 1930 due to tariff increases. During recent years the Government of Mexico, realizing the value of cattle to the national economy, has made strenuous efforts to develop and improve production by making available scientific teaching and giving practical demonstrations, as well as by holding numerous cattle fairs in various strategic points in the republic. While the Department of Agriculture is still disappointed with the results, the industry being somewhat backward, progress is being made. There are, in fact, many thorough-bred cattle in the country which compare favourably with the best foreign breeds.

The main breeds of milch cows presently being raised in Mexico are, in order of importance, Holsteins, Jerseys, Guernseys, and to a small extent Short-horns. Cattle for slaughtering consist mainly of Herefords and Creoles, the latter being a domestic cross-bred animal.

### LIVE-STOCK CENSUS

The most recent live-stock census of the whole country made in 1930 gives the total cattle population at 10,082,958 head. This includes 265,173 bulls, 1,830,665 young bulls, 197,899 pedigreed bulls, 3,323,870 cows, 381,093 pedigreed cows, 2,046,928 calves, 351,912 steers, and 1,776,418 work cattle. These cattle represented 70 per cent of the total live stock in the Republic in 1930 and total value was 512,000,000 pesos or about \$142,000,000. Since 1930 there has been a falling off in the cattle population owing partly to tariff increases in the United States and partly to domestic causes.

### SLAUGHTERED CATTLE

There were 851,041 head of cattle slaughtered in 1931, the most recent year for which statistics are available, but it is estimated that this total has gradually increased in the subsequent years to something under 1,000,000 head at the present time. The weight of the slaughtered cattle in 1931 amounted to 116,345 metric tons valued at about 54,000,000 pesos (approximately \$15,000,000).

Most of the slaughter-house type of cattle, as already indicated, are of the Hereford or Creole breeds. Bulls killed in the bull ring have been carefully nurtured and their meat, which is very delicate, obtains a premium. Other meat sold locally is not of the same quality as that obtained from the cattle exported from Mexico, largely on account of the mediocre facilities available in all branches of the industry.

## IMPORTS AND EXPORTS OF CATTLE

The imports of breeding cattle during recent years, although encouraged by the Department of Agriculture, have not been large, although a very definite upswing has been clearly defined during the past several years. Practically all of these imported heads are of pure-bred stock, and originated either in the United States or to a small extent in the Netherlands. The exports of cattle, which reached their greatest height in 1928, fell off rapidly following the Smoot-Hawley tariff of 1930 and reached their lowest point in 1934. In the following year, owing to a shortage in the United States, the exports quadrupled those of 1934 and subsequently, although the totals have fallen off from those of 1935, they have shown substantial increases over the several years following application of the tariff referred to. This export movement should continue as long as the quota system for cattle, effective both with respect to Mexico and Canada, is in force.

The following cattle were imported into Mexico during 1935 and 1936, figures for 1935 within parentheses: milkers, 260 (366); steers, 8,490 (4,821); breeding stock, 1,420 (1,655); feeders, 6,829 (5,989).

Exports during the same two years were as follows: steers, 169,962 (236,770); breeding stock, 1,812 (4,885); feeders, 6,636 (19,827).

## HORSES, SHEEP, GOATS, HOGS, ETC.

The forbears of many of the horses in Mexico were imported in the sixteenth century. During the eighteenth century a considerable interest was taken by large ranchers in horse-raising and a fairly large number of pure-bred animals were imported for breeding purposes. These importations resulted in a decided improvement in the stock. The Mexican horse is excellent from the point of view of resistance and working qualities, and those from the northern and central parts of the country are of the Arabian strain. Other breeds include English-Arabian, Andalusian, Morgan, thoroughbred English, and Creole.

Both sheep and goats have received considerable attention from stock raisers as well as from the Department of Agriculture during the past few years, and there are available a fair number of animals which are the get of pure-bred imported stock crossed with native breeds. Every facility is being given by the Government to increase the importation of pure-bred sheep in order to raise the standard and volume of wool production in the republic. While the country as a whole is somewhat backward in this direction, some important strides are being made. The Rambouillet is the principal breed.

Hogs have also received considerable attention at the hands of the Government, and careful studies of foreign varieties suitable for Mexican conditions have been made. Of all farm animals, perhaps the hog receives the least care from the Mexican farmer, so that a great deal of study and care is yet required to bring up the standard of these animals to anything approaching that of those produced in countries where hog-raising is important. In many parts of Mexico hogs seem to be adversely affected by the climate, as they grow long and leggy despite crossing with suitable breeds such as Duroc Jersey, Poland China, and Hampshire.

## LIVE-STOCK CENSUS

According to the live-stock census of 1930 there were in Mexico 1,887,478 horses, 751,343 mules, 2,159,734 asses, 3,673,867 sheep, 6,544,129 goats, and 3,678,233 hogs, in addition to the 10,082,956 head of cattle already referred to. The central and northern districts are most suitable for live-stock raising, particularly the States of Vera Cruz, Jalisco, Michoacan, Chihuahua, Sonora, Mexico, Guanajuato, and Puebla.



**FOREIGN TRADE OF GUATEMALA**

S. G. MACDONALD, ACTING TRADE COMMISSIONER

Mexico City, June 20, 1937.—In addition to the complete Guatemalan statistics for the years 1934 and 1935, preliminary figures by countries but not by commodities for the first six months of 1936 have been made available. During that period imports into Guatemala amounted to \$5,503,869 as compared with \$4,989,124 for the same period in 1935. This increased purchasing power, which was noted for the whole of 1936, is accounted for by the greater exports, which amounted to \$10,977,203 for the first six months of 1936 as against \$7,860,501 for the corresponding period in the previous year. The first figures released for the whole year 1936 show imports of \$11,511,947 (\$9,599,025 in 1935) and exports of \$15,106,264 (\$12,471,326 in 1935). A part of the comparative increase in exports during the first six months of the year was due to the earlier shipments of the larger 1936 coffee crop.

Some noteworthy features of the trade during the first six months were: (1) an increased export to the United States (particularly of coffee), 57.2 per cent as compared with 49 per cent in the previous corresponding period; (2) a decreased share of the imports from that country, 40.1 per cent as against 43.9 per cent in 1935; (3) Germany, the second most important participant in the foreign trade, increased her share in the imports to 29 per cent as compared with 16.2 per cent in the first half of 1935, but reduced her exports from 24.8 per cent to 20.7 per cent. Notwithstanding the percentage reductions in imports into Guatemala from the United States and of Guatemalan exports to Germany, the total values exceeded those for the comparative period in 1935.

The United Kingdom increased its share of the exports from 0.42 per cent to 2.62 per cent, but the position of the imports was not materially changed, remaining at about 10 per cent. Japan, which was fourth as a source of supply in 1935, declined in relative position from 8.3 per cent to 0.44 per cent, mainly on account of the heavy double duty levied against the goods of that country on account of the unfavourable balance of trade in 1934 and the doubling of her exports to Guatemala during that year.

**TRADE WITH VARIOUS COUNTRIES**

The values of imports from and exports to the various countries trading with Guatemala for the comparative six-month periods during 1935 to 1936 were as follows, the figures within parentheses being for the 1935 period:—

**IMPORTS**

United States, \$2,205,000 (\$2,191,000); Germany, \$1,598,000 (\$806,000); United Kingdom, \$544,000 (\$520,000); Mexico, \$286,000 (\$249,000); Sweden, \$105,000 (\$98,000); France, \$105,000 (\$112,000); China, \$91,000 (\$5,000); Belgium, \$83,000 (\$99,000); Peru, \$75,000 (\$85,000); Italy, \$57,000 (\$101,000); Nicaragua, \$37,000 (\$48,000); El Salvador, \$44,000 (\$24,000); Spain, \$41,000 (\$50,000); Canada, \$35,000 (\$26,000); Netherlands, \$34,000 (\$76,000); Czechoslovakia, \$29,000 (\$5,000); Japan, \$24,000 (\$416,000).

**EXPORTS**

United States, \$6,282,000 (\$3,854,000); Germany, \$2,273,000 (\$91,951,000); Netherlands, \$768,000 (\$765,000); Sweden, \$536,000 (\$575,000); United Kingdom, \$288,000 (\$33,000); Czechoslovakia, \$216,000 (nil); France, \$180,000 (\$112,000); Italy, \$72,000 (\$146,000); Denmark, \$56,000 (\$139,000); Spain, \$38,000 (\$25,000); El Salvador, \$34,000 (\$20,000); Belgium, \$33,000 (\$64,000). Canada is not shown as importing from Guatemala in these preliminary statistics.

## TRADE IN CANNED AND POWDERED MILK IN CHINA

H. A. SCOTT, CANADIAN TRADE COMMISSIONER

Shanghai, June 18, 1937.—Although the importation of condensed, evaporated, and powdered milk into China is of comparatively recent origin, this country, in common with other Far Eastern markets, is now a substantial consumer of preserved milks. Originally imported to fill a need among the foreign population, milk products are being consumed to an ever-increasing extent by well-to-do Chinese. Their taste for milk has grown steadily as a result of the extensive propaganda carried out by two internationally known milk preserving companies through the media of lectures, literature, and radio broadcasts, all emphasizing the health value of milk, particularly for children.

### FRESH MILK PRODUCTION

Fresh milk is available in all the main treaty ports. The impetus given by the advertising campaigns mentioned above, plus the strict licensing and supervision of dairies enforced by the foreign and Chinese health departments in Shanghai, has tended to remove the fear of infection which, up to a few years ago, prejudiced the sale of local fresh milk.

As a result, the fresh milk trade of this city, where Western influence is strong, has developed into a well-organized industry. According to the report of the Public Health Department of the Shanghai Municipal Council for 1936, there were thirty licensed dairies in operation last year, turning out an average daily milk production of just over 13,300 quarts, which volume represented an increase of 3 per cent over the previous year, and there were three new licensed dairies opened.

There are two grades of licensed milk sold in this city—namely A and B grades. The strict supervision of dairies in Shanghai, the relatively small total demand in comparison with cities of a similar size in the Western world, the excessive mortality rate due to climatic conditions, and the cost of replenishing the herds from abroad, all contribute to the high retail price of milk in this city. Grade A is selling to individual householders at present at from Shanghai \$0.60 to Shanghai \$0.70 per quart (approximately \$0.18 to \$0.21 Canadian currency), depending on the reputation of the individual dairy, and grade B milk at from Shanghai \$0.45 to Shanghai \$0.60 per quart (approximately \$0.13½ to \$0.18 Canadian currency).

To a lesser extent fresh milk production has developed in the various smaller treaty ports, and undoubtedly this trade affects the potential consumption of preserved milks. Broadly speaking, the lack of milch cows, suitable pasturage, and absence of rapid transport facilities, have all served to encourage the sale of preserved milk, both in the large cities and in the interior. It is also considered that to some extent the growing familiarity of Chinese with fresh milk in the cities has the effect of ultimately spreading the idea of milk consumption to the country districts, thus assisting the sale of preserved milks in areas where the fresh product is not available.

### IMPORTS

Imports of preserved milks are divided into three main classifications as shown in the following tables. Weights are in kilograms and values in gold units. The average value of the gold unit in United States currency was \$0.66 in 1934, \$0.68 in 1935, and \$0.67 in 1936. One kilogram equals 2.2 pounds.



*Cream and Milk, Evaporated or Sterilized*

	1934		1935		1936	
	Kg.	G. Units	Kg.	G. Units	Kg.	G. Units
Total . . . . .	1,735,800	389,186	1,894,535	403,134	1,285,220	268,484
Canada . . . . .	104,100	21,796	74,492	14,304	57,532	9,050
Denmark . . . . .	23,300	4,589	32,117	6,174	29,446	5,953
Great Britain . . . . .	14,100	3,662	29,386	8,225	5,308	1,426
Japan . . . . .	18,700	2,831	28,042	4,623	20,412	3,053
Netherlands . . . . .	937,900	215,386	1,103,477	239,281	816,907	168,540
New Zealand . . . . .	29,600	6,069	16,667	2,903	10,741	1,691
Norway . . . . .	6,400	3,836	5,165	3,852	4,131	2,478
Switzerland . . . . .	20,400	8,669	29,829	8,899	20,300	5,387
United States . . . . .	533,400	111,694	565,317	112,231	314,459	69,635
Other countries . . . . .	47,900	10,712	10,064	2,654	6,018	1,289

*Condensed Milk*

	1934		1935		1936	
	Kg.	G. Units	Kg.	G. Units	Kg.	G. Units
Total . . . . .	2,515,500	1,033,282	2,582,684	925,223	1,782,884	536,835
Australia . . . . .	6,800	2,501	5,761	2,229	611	166
Belgium . . . . .	.....	12	5,916	2,394	1,452	486
Denmark . . . . .	59,200	19,726	58,396	17,925	27,162	7,082
Germany . . . . .	12,100	5,536	8,131	1,189	2,721	370
Great Britain . . . . .	2,200	927	7,197	3,624	15,709	5,968
Japan . . . . .	63,800	14,501	117,875	20,687	26,513	5,367
Netherlands . . . . .	1,973,500	811,890	2,034,866	730,101	1,374,659	400,653
Switzerland . . . . .	307,500	131,884	165,680	92,596	159,865	57,616
United States . . . . .	80,900	41,858	169,960	49,562	171,096	57,531
Other countries . . . . .	11,400	4,711	8,946	4,929	3,140	1,606

*Milk Food (including Dried Milk, Lactogen, Glaxo, etc.)*

	1934		1935		1936	
	Kg.	G. Units	Kg.	G. Units	Kg.	G. Units
Total . . . . .	687,348	824,972	807,899	851,226	634,586	518,992
Australia . . . . .	470,890	605,376	534,508	585,807	364,327	292,606
Canada . . . . .	1,165	1,017	11,795	3,584	19,768	5,997
Denmark . . . . .	2,443	2,272	3,336	2,829	4,356	3,631
Great Britain . . . . .	66,209	82,464	49,168	61,584	35,490	50,518
Japan . . . . .	2,004	1,797	11,760	12,163	12,611	9,369
Netherlands . . . . .	25,089	9,285	34,293	12,834	39,835	12,471
New Zealand . . . . .	10,082	9,147	40,635	29,067	36,144	25,049
Switzerland . . . . .	2,032	2,557	1,957	1,961	3,950	4,276
United States . . . . .	97,446	103,206	113,792	133,956	111,969	110,401
Other countries . . . . .	10,070	8,020	6,860	7,706	6,430	5,067

## REASONS FOR DECLINE IN IMPORTS

It will be noted that imports of all classes of preserved milks in 1936 registered a decline in comparison with the two previous years, and particularly with 1935. To some extent the falling off during 1936 was attributed to the cumulative effects of the economic depression and consequent drop in purchasing power which commenced to seriously affect China from the beginning of 1934 onwards. This deduction does not account for the increased imports which took place in 1935, but it has been explained by one authority in the trade that the bulk of the increased imports in that year over normal arrived from September to December, when dealers, being apprehensive of a depreciation in the value of the Chinese dollar, bought heavily to protect commitments. In 1936 the period of below normal imports ran from March to July, probably due to the continued depression, excess of stocks held by dealers, and the then prevailing uncertainty in the political outlook. From August onward, however, imports were, on the whole, considered normal.

## DOMESTIC COMPETITION

Although the general view is that the importation of preserved milk has so far been affected only to an insignificant extent by local supplies, it seems worth recording that canned milk production is now established in several parts of China. Most of the output has to date been in condensed milk, which product enjoys a slightly higher protective duty than evaporated. The main producing centre is at Wenchow in Central China, some 400 miles south of Shanghai. The milk used in this centre, however, is buffalo milk. At Hangchow, some 130 miles from Shanghai, one concern is turning out cows' condensed milk in fair quantities, and there are several smaller establishments as well producing condensed milk in North China.

Although it is stated that the quality of these Chinese condensers has improved greatly, the general standard is so much inferior that the locally produced product is only catering to the poorest-class consumer, and as long as this condition remains competition against highly advertised imported condensed milk will probably not be very effective.

## EVAPORATED MILK

It will be observed from the foregoing tables that imports of evaporated milk do not reach the volume of condensed. The Chinese consumer is a careful buyer, and is under the impression that there is greater value for the money in sweetened condensed milk than any other varieties where additional sugar is required. As to whether or not this situation will continue would seem to depend on the success of the propaganda carried on by firms selling evaporated milk in pointing out the superior health quality of this variety, particularly for children. Meanwhile, the consumption of evaporated milk is proportionately larger in the cities than in the interior. Of the total imports to the whole of China last year, Shanghai took just over 80 per cent, thus showing that this city is by far the most important consuming and distributing centre for this class of milk product.

Although there are a number of brands on the market, the bulk of the business in evaporated milk is in the hands of two internationally known firms maintaining their own sales organization in China, and carrying out extensive advertising. These two companies ship to China mainly from their factories in Holland. One Canadian brand, which has been established in China for some years now, enjoys a share of the available business.

Evaporated milk imported to Central and North China from Europe and the United States is customarily packed in 14½-ounce tins, forty-eight to a case. These are known as the large size. There is, however, reported to be a substantial demand during the summer months for the small-size tin of 6 ounces, ninety-six tins to a case.

## PRICES

Current wholesale quotations in Chinese standard dollars range from \$18 to \$19.50 per case of forty-eight large tins, and from \$17 to \$19.50 per case of ninety-six small tins. In Canadian currency these prices are approximately \$5.10 to \$5.85 per case of ninety-six small. It should be noted that these prices are only approximate as, due to the various discounts and the extreme competition among dealers in this trade, it is particularly difficult to arrive at any accurate idea of the exact prices at which the different brands of milk products are sold in this market.

## DUTY

The duty on evaporated milk is 0.13 gold unit per kilogram, plus the usual surtaxes of 10 per cent and 4 per cent respectively of the duty. It is.



calculated that this duty works out to approximately Chinese \$8.09 per case of forty-eight tins (approximately \$2.43 Canadian currency).

### CONDENSED MILK

As in the case of evaporated milk, Holland is the outstanding supplier of condensed milk to China, and the competition from the world's largest producer is so keen that the market offers little inducement to other exporters. Whereas the main outlet for evaporated milk is found in the cities, condensed milk is chiefly sold in the country districts, where it is used to a large extent for feeding children.

Broadly speaking, condensed milk is more popular in the south or more tropical sections of the country than in the north, and it is significant that Shanghai's percentage of total imports of this class of tinned milk to the whole of China last year was just under 24 per cent.

There is at the same time, in certain areas of North China where the purchasing power is relatively low, a demand for cheap skimmed sweetened condensed milk, which comes mainly from Holland as in the case of the regular quality. Condensed milk for this market comes mostly in 14-ounce tins. One brand, however, is also sold to a considerable extent in what is described as a "sample" size containing 80 grams net, twenty dozen to a case.

The most popular condensed milk sold in China is quoted at Chinese \$31 wholesale per case of forty-eight tins containing 14 ounces to the tin (approximately \$9.30 Canadian currency).

### DUTY

The duty on condensed milk works out to 0.16 gold unit per kilogram, plus the 10 per cent and 4 per cent surcharges of the duty. This duty works out to approximately Chinese \$9.11 per case of forty-eight tins (\$2.73 Canadian currency).

### MILK FOOD (INCLUDING DRIED MILK, LACTOGEN, GLAXO, ETC.)

The above classification in the customs returns embraces a number of proprietary milk foods such as Lactogen, Glaxo, malted milks, etc., and milk powder. By far the largest proportion of the imports consists of branded milk foods. Although there are a number of different brands on the market, the only ones which enjoy any appreciable business are those which are constantly advertised in the local press as health foods for babies. It will be noted that Australia is outstandingly the leading supplier of this type of milk product, and again the trade is largely in the hands of one of the world's largest producers of preserved milks, who ship to China from their Australian plant.

There is a limited market only for milk powder in bulk, either full creamed or skimmed, for the confectionery trade, for ice-cream making, and to some extent for repacking into retail sizes to be sold in competition with the highly advertised baby milk foods. There is also one firm in Shanghai importing milk powder for the manufacture of "reconstituted milk." Most of the bulk milk powder is imported in cases of 112 pounds, and the business in this trade is mainly divided between Canada and New Zealand.

Wholesale prices for various milk foods and milk powder are on file in the Department of Trade and Commerce, Ottawa, and may be obtained on request by interested Canadian firms.

### DUTY

The duty on dried milk and milk foods such as Glaxo, Lactogen, etc., is 25 per cent *ad valorem*, plus the surcharges of 10 per cent and 4 per cent of the duty respectively.

## TARIFF CHANGES AND CUSTOMS REGULATIONS

### United Kingdom

#### TARIFF CHANGES

Under the Additional Import Duties (No. 7) Order of the United Kingdom, effective from July 7, the duty chargeable on the following classes of iron and steel is reduced until March 31, 1938, to 12½ per cent ad valorem: Ingots; blooms, billets and slabs; girders, beams, joists and pillars; angles, shapes and sections; bars and rods; plates and sheets; hoop and strip (other than hot-rolled strip over 10 inches wide in coils weighing more than 3 cwt.) rails; forgings (including drop forgings and rolls for rolling mills) in the rough or machined; and castings (including rolls for rolling mills), stampings and pressings, in the rough or machined, weighing 7 pounds or over, other than gutters, domestic tanks and cisterns. Prior to July 7 these goods were dutiable at 20 per cent, 25 per cent or 33½ per cent ad valorem or specific rates ranging from £2 to £8 per ton, depending on description of material imported.

The Import Duties (General Ad Valorem Duty Reduction) (No. 1) Order, also effective July 7, reduces until March 31, 1938, from 10 per cent to 2½ per cent ad valorem the duty chargeable on consignments of the foregoing goods (except forgings and castings) which are accompanied by a quota certificate and a certificate of origin.

(All these iron and steel goods when British Empire products within the meaning of the Imperial Preference regulations are admissible into the United Kingdom duty free.)

#### CERTIFICATE OF ORIGIN FOR FISH OILS

A cablegram from the Canadian Trade Commissioner in London amplifies the information on certificates of origin for feedstuffs which was given on page 1139 of *Commercial Intelligence Journal* No. 1743 of June 26. The cablegram states that shipments of fish oils must be accompanied by certificate of origin No. 120 (Sale), but after January 1, 1938, Form 119 (Sale) will be required and must be supported by a statement that the goods have been produced from fish caught in Empire waters or by vessels owned and registered in the Empire.

### British India

#### REGULATIONS AFFECTING DENATURED SPIRITS

A Notification issued by the Collector of Customs, Calcutta, under date June 22, provides that effective October 1, 1937, the names of the denaturants used in any imported preparation claimed to contain denatured spirit shall be mentioned on the original bill of entry. Importers are requested to obtain the necessary information from their suppliers.

### Netherlands

#### IMPORT RESTRICTIONS ON PAPER AND PAPER PRODUCTS

Mr. W. G. Stark, Acting Trade Commissioner at Rotterdam, writes that a Netherlands royal decree of June 26, 1937, continues restrictions on importation of paper and paper products (see *Commercial Intelligence Journal* No. 1721: January 23, 1937, page 122). Imports from each exporting country during the period from July 1, 1937, to June 30, 1938, inclusive, are fixed by the following



percentages of the average gross weight imported per twelve months during the years 1933 and 1934; printing and writing paper, wrapping and felt paper, fancy paper, envelopes and pasted paper bags, office and writing books, unspecified printed matter, and unspecified paper products, 80 per cent; wallpaper and asphalt roofing paper, 90 per cent; cellophane and similar transparent paper and products thereof, 100 per cent of gross weight imported during 1933. The previous quotas were the same.

A certificate of origin is required for entry of the above commodities.

The Ministry of Commerce, Industry and Shipping may grant special quotas to designated countries. Specified paper and paper products are exempt from quota restrictions.

### **Netherlands India**

#### **FLOUR-PACKING REGULATIONS**

Mr. K. F. Noble, Acting Trade Commissioner in Singapore, advises under date June 1 that the operation of the flour-packing ordinance known as No. 574, 1937, has been deferred from May 1, 1937, to August 1, 1937, on which date the regulations will become effective. See *Commercial Intelligence Journal* No. 1722 (January 30, 1937), page 152.

### **China**

#### **REVISED DUTIES ON IMPORTED CIGARETTES**

Mr. B. A. Macdonald, Assistant Trade Commissioner in Shanghai, writes under date June 19, 1937, that a Chinese Maritime Customs Notification, No. 1579, dated at Shanghai, June 19, announced that the following revised rates under import tariff heading 420 "Cigarettes," will be enforced forthwith (in all cases the specific duty is per 1,000 cigarettes):—

(a) Value over gold units 10 per 1,000 and all cigarettes not bearing a distinctive brand or name on each cigarette. 80 per cent ad valorem; (b) value over gold units 6·4 but not over gold units 10 per 1,000, gold units 7·60; (c) value over gold units 4·8 but not over gold units 6·4 per 1,000, gold units 5·80; (d) value over gold units 3·2 but not over gold units 4·8 per 1,000, gold units 4; (e) value over gold units 1·6 but not over gold units 3·2 per 1,000, gold units 2·50; (f) value gold units 1·6 or less per 1,000, gold units 1·40. (One gold unit equals approximately Can.\$0.67.)

The new rates are set forth under six grades as against the previous seven, and the first and highest grade is now dutiable on an ad valorem instead of a specific basis. Due to the change in grades, it is difficult to compare the two sets of rates, but there is no doubt that the new rates constitute in effect a sharp increase.

This revision was not wholly unexpected, due to the fact that the so-called Consolidated Tax (Excise Tax) on cigarettes of domestic manufacture was recently revised upwards.

### **Guatemala**

#### **CERTIFICATES OF ORIGIN**

Mr. S. G. MacDonald, Acting Trade Commissioner at Mexico City, reports under date July 9, 1937, that the Minister of Finance of the Republic of Guatemala has authorized the issuance of certificates of origin by the Canadian Manufacturers' Association and authenticated by the Guatemalan Consul-General in New York in connection with shipments from Canada to Guatemala.

## FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING JULY 19, 1937

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, July 19, and for the week ending Monday, July 12, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending July 12	Nominal Quotations in Montreal Week ending July 19	Official Bank Rate
Austria . . . . .	Schilling	.1407	\$ .1880	\$ .1880	3½
Belgium . . . . .	Belga	.1001	.1687	.1686	2
Bulgaria . . . . .	Lev	.0072	.0129	.0129	6
Czechoslovakia . . . . .	Krone	.0296	.0350	.0350	3
Denmark . . . . .	Krone	.2680	.2221	.2224	4
Finland . . . . .	Markka	.0252	.0219	.0219	4
France . . . . .	Franc	.0392	.0388	.0378	5
Germany . . . . .	Reichsmark	.2382	.4026	.4030	4
Great Britain . . . . .	Pound	4.8666	4.9759	4.9825	2
Greece . . . . .	Drachma	.0130	.0090	.0090	6
Holland . . . . .	Guilder	.4020	.5508	.5519	2
*Hungary . . . . .	Pengo	.1749	.2961	.2961	4
Italy . . . . .	Lira	.0526	.0527	.0527	4½
Jugo-Slavia . . . . .	Dinar	.0176	.0231	.0232	5
Norway . . . . .	Krone	.2680	.2500	.2495	4
Poland . . . . .	Zloty	.1122	.1897	.1894	5
Portugal . . . . .	Escudo	.0442	.0451	.0451	4½
Roumania . . . . .	Leu	.0060	.0073	.0073	4½
Spain . . . . .	Peseta	.1930	.....	.....	5
Sweden . . . . .	Krona	.2680	.2565	.2569	2½
Switzerland . . . . .	Franc	.1930	.2295	.2295	1½
United States . . . . .	Dollar	1.0000	1.0018	1.0018	1½
Mexico . . . . .	Peso	.4985	.2780	.2780	4-5
Cuba . . . . .	Peso	1.0000	1.0011	1.0011	—
Guadeloupe . . . . .	Franc	.0392	.0388	.0378	—
Jamaica . . . . .	Pound	4.8666	4.9859	4.9925	—
Martinique . . . . .	Franc	.0392	.0388	.0378	—
Other British West Indies	Dollar	1.0138	1.0366	1.0381	—
Argentina . . . . .	Peso (Paper)	.4245	.3316	.3321	3½
	Unofficial		.3011	.3016	—
Brazil . . . . .	Milreis (Paper)	.1196	.0661	.0666	—
British Guiana . . . . .	Dollar	1.0138	1.0366	1.0381	—
Chile . . . . .	Peso	.1217	.0518	.0518	4½
	Unofficial		.0418	.0418	—
Colombia . . . . .	Peso	.9733	.5710	.5710	4
Peru . . . . .	Sol	.2800	.2505	.2505	6
Venezuela . . . . .	Bolivar	.1930	.3156	.3143	—
Uruguay . . . . .	Peso	1.0342	.7957	.7953	—
South Africa . . . . .	Pound	4.8666	4.9700	4.9762	3½
Egypt . . . . .	Pound (100 Piastres)	4.9431	5.1000	5.1100	—
China (Shanghai) . . . . .	Dollar	.....	.2969	.2946	—
Hongkong . . . . .	Dollar	.....	.3032	.3038	—
India . . . . .	Rupee	.3650	.3754	.3759	3
Japan . . . . .	Yen	.4985	.2886	.2896	3.29
Java . . . . .	Guilder	.4020	.5528	.5525	—
Siam . . . . .	Baht (Tical)	.4424	.4562	.4565	—
Straits Settlements . . . . .	Dollar	.5678	.5836	.5842	—
Australia . . . . .	Pound	4.8666	3.9800	3.9862	3
New Zealand . . . . .	Pound	4.8666	4.0125	4.0187	2
	* Unofficial:		.1981	.1981	—

The Dominion Bureau of Statistics has supplied the following note:—

An unexpected sharp break in French franc rates on the 16th coincided with reports of heavy sales by leading markets and the withdrawal of support by the French Stabilization Fund. Rumours of the resignation of the French Ministry were current and, although these were denied, weakness continued. Closing spot rates at New York fell from 3·87½ cents on the 15th to 3·82½ cents on the following day and the discount on ninety-day rates widened 7½ points to 18½. The British pound strengthened and Scandinavian currencies moved upward also. Gold at London was quoted in the neighbourhood of \$34.86 throughout the week and, although the margin between the New York and London prices narrowed, London still remained above the American shipping parity. The French franc at Montreal dropped from 3·89 cents on the 15th to 3·84 cents on the 16th, then down to 3·78 cents on the following day. The premium on American funds at 0·19 of 1 per cent was reduced to 0·17 of 1 per cent on the 17th, but had returned to the former level by the 19th.



Canadian Trade Commissioners should be kept supplied with catalogues, price lists, discount rates, etc., and the names and addresses of trade representatives by Canadian exporters. Catalogue should state whether prices are at factory point, f.o.b. at port of shipment, or, which is preferable, c.i.f. at foreign port.

The Canadian Government Trade Commissioners at the present time are using Bentley's Second Phrase Code.

## TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

### Secretary, Board of Trade—

Saint John, N.B.  
Halifax, N.S.  
Quebec, P.Q.  
Montreal, P.Q.  
Toronto, Ont.

Chatham, Ont.  
Kitchener, Ont.  
Stratford, Ont.  
Woodstock, Ont.  
St. Mary's, Ont.

Portage la Prairie, Man.  
St. Boniface, Man.  
Winnipeg, Man.  
Vancouver, B.C.  
New Westminster, B.C.

### Secretary, Chamber of Commerce—

Sherbrooke, P.Q.  
Kingston, Ont.  
Oshawa, Ont.

Belleville, Ont.  
Peterborough, Ont.  
London, Ont.

Hamilton, Ont.  
Victoria, B.C.  
Prince Rupert, B.C.

### Border Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

### Secretary, Canadian Manufacturers Association—

Toronto, Ont.  
Montreal, P.Q.

Winnipeg, Man.  
Edmonton, Alta.

Vancouver, B.C.  
Victoria, B.C.

The Maritime Provinces Trade Commissioner, 122 Federal Building, Toronto, Ont.

The Bureau of Provincial Information, Victoria, B.C.

Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Miscellaneous—</b>			
Men's Cotton Underwear.....	493	Shanghai, China.....	Agency.
Ladies' Rayon Underwear.....	494	Shanghai, China.....	Agency.
Cotton and/or Rayon Hose—for Men and Children.	495	Shanghai, China.....	Agency.
Men's Neckties (Novelty Line)...	496	Shanghai, China.....	Agency.
Metal Workers' or Steelmen's Gloves.	497	Bristol, England.....	Agency.
Paper Serviettes.....	498	Bristol, England.....	Purchase and Agency.
Toilet Paper.....	499	Bristol, England.....	Purchase and Agency.
Toilet Tissue.....	500	Batavia, Java, and Singa- pore, Straits Settle- ments.	Purchase and Agency.
White Lead.....	501	Calcutta, India.....	Purchase and Agency.

## PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

### From Montreal

*To Liverpool.*—Duchess of Bedford, July 30; Duchess of Richmond, Aug. 6; Duchess of York, Aug. 11; Montrose, Aug. 17—all Canadian Pacific; Antonia, July 30; Andania, Aug. 13—both Cunard-White Star Line; a steamer, Fjell Line, July 26 and Aug. 9.

*To London.*—Beaverburn, July 30; Beaverhill, Aug. 6; Beaverford, Aug. 13; Beavertdale, Aug. 20; Beaverbrae, Aug. 27—all Canadian Pacific; Ascania, July 30; Aurania, Aug. 6; Alania, Aug. 13; Ausonia, Aug. 20—all Cunard-White Star Line.

*To London, Antwerp and Rotterdam.*—Taborfjell, July 26; Harpefjell, Aug. 4—both Fjell Line.

*To Manchester.*—Manchester Brigade, July 29; Manchester Division, Aug. 5; Manchester Citizen, Aug. 12; Manchester Regiment, Aug. 19; Manchester Commerce, Aug. 26—all Manchester Line; a steamer, Fjell Line, July 26 and Aug. 9.

*To Southampton.*—Duchess of Richmond, Canadian Pacific, Aug. 25.

*To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—New York City, July 27; Bristol City, Aug. 14—both Bristol City and Dominion Lines; Dakotian, Cunard-Donaldson and Dominion Lines, Aug. 5.

*To Glasgow.*—Delilian, July 30; Letitia, Aug. 6; Sulairia, Aug. 13; Athenia, Aug. 20—all Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Cairnglen, July 28; Cairnmona, Aug. 4; Cairnross (calls at Dundee), Aug. 18; Cairnvalona, Aug. 25—all Cairn-Thomson Line.

*To Aberdeen and Hull.*—Gitano, July 28; Kyno, Aug. 14—both Ellerman's Wilson Line.

*To Dublin and Belfast.*—Kenbane Head (does not call at Belfast), Aug. 5; Dunaff Head, Aug. 12; Melmore Head, Aug. 24—all Head Line (cargo accepted for Cork).

*To Antwerp and Havre.*—Hada County (calls at Dunkirk), July 27; August, Aug. 15; Brant County, Aug. 25—all County Line; Beaverhill, Aug. 6; Beaverford, Aug. 13; Beavertdale, Aug. 20—all Canadian Pacific (do not call at Havre).

*To Rotterdam.*—Flint II, Aug. 8; Grey County, Aug. 18—both County Line.

*To Hamburg and Bremen.*—Beaverbrae (does not call at Bremen), Canadian Pacific, July 30; Frankfurt, North German Lloyd Line, Aug. 20.

*To Copenhagen, Gothenburg and Baltic Ports.*—Korsholm, July 28; Ragnhildsholm, Aug. 25—both Swedish-America-Mexico Line.

*To Norwegian Ports.*—A steamer, Fjell Line, July 26 and Aug. 9.

*To Marseilles, Genoa, Naples, Messina, Palermo, Lisbon and Leghorn.*—Capo Lena, Aug. 13; Capo Olmo, Aug. 31—both Capo Line.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Eikhaug (does not call at St. Pierre), Aug. 2; Maghild, Aug. 7; Lillehorn (does not call at St. Pierre), Aug. 13—all Shaw SS. Co.; Belle Isle, Newfoundland-Canada SS. Co., July 30 and Aug. 13.

*To Corner Brook, Nfld.*—New Northland, Aug. 2 and 16; North Voyageur, Aug. 8 and 22—both Clarke SS. Co.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Cornwallis, Aug. 5; Colborne, Aug. 19—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Hamilton (Bermuda), Nassau (Bahamas), Kingston (Jamaica) and Belize (British Honduras).*—Cathcart (does not call at Hamilton or Nassau), July 30; Lady Rodney, Aug. 4; Cavalier (does not call at Hamilton or Nassau), Aug. 13; Lady Somers, Aug. 18—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer, Ocean Dominion SS. Corp., July 30 and Aug. 13.

*To Brisbane, Sydney and Melbourne.*—Surrey, July 28; City of Canberra, Aug. 28—both Montreal-Australia-New Zealand Line (call at Adelaide if sufficient inducement offers).

*To Auckland, Napier, Wellington, Lyttleton, Timaru, Dunedin and Bluff.*—Ardenvoehr, July 29; Port Nicholson (does not call at Napier or Timaru), Aug. 22—both Montreal-Australia-New Zealand Line.

*To Sierra Leone, Walvis Bay, Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques and Beira.*—Calgary, Elder Dempster Lines Ltd., July 27.

*To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Singapore, Madras, Rangoon and Calcutta.*—City of Salisbury, July 31; City of Sydney, Aug. 15—both Canada-India Service.

*To Belawan Deli, Penang, Port Swettenham, Singapore, Batavia, Cheribon, Samarang, Soerabaya and Macassar.*—Kota Radja, Java-New York-Blue Funnel Line, Aug. 17.

*To Manila, Hongkong, Shanghai and Dairen.*—City of Lyons, Ellerman & Bucknell SS. Co., Aug. 2.

### From Quebec

*To Southampton.*—Empress of Britain, Canadian Pacific, July 31 and Aug. 14.



### From Saint John

*To London.*—Trentino, Ellerman's Wilson Line, Aug. 12; Magdapur, Anchor Brocklebank Line, Aug. 14.

*To Aberdeen and Newcastle.*—Trentino, Ellerman's Wilson Line, Aug. 12.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Drake, Aug. 4; Lady Nelson, Aug. 18—both Canadian National.

*To Kingston and Jamaican Outports.*—Crawford Ellis, July 30 and Aug. 13; Harboe Jensen, Aug. 6 and 20—both United Fruit Company (cargo also accepted for transshipment to Central and South American ports).

### From Halifax

*To Liverpool.*—Newfoundland, July 31; Nova Scotia, Aug. 17—both Furness Line.

*To London, Hamburg, Hull, Leith and Dundee.*—City of Flint, July 28; Lehigh, Aug. 13; Artigas, Aug. 27—all American Hampton Roads.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Kongshaug, Newfoundland-Canada SS. Ltd., July 26 and Aug. 9; Fort Amherst, July 26 and Aug. 9; Fort Townsend, Aug. 2 and 16—both Furness-Red Cross Line; Portia (does not call at St. Pierre), Newfoundland Ry. and SS. Co., July 28 and Aug. 11; Newfoundland, July 31; Nova Scotia, Aug. 17—both Furness Line.

*To Kingston (Jamaica) and Belize (British Honduras).*—Cathcart, Aug. 2; Cavelier, Aug. 16—both Canadian National.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Hawkins, July 29; Lady Drake, Aug. 12; Lady Nelson, Aug. 26—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer, Ocean Dominion SS. Corp., Aug. 4 and 18.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Chomedy, July 26; Cornwallis, Aug. 9; Colborne, Aug. 23—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Bermuda, West Indies, and Demerara.*—A steamer, Pickford & Black Ltd., Aug. 4.

*To Santiago (Cuba) and Kingston (Jamaica).*—Ciss, July 28 and Aug. 25; Kirsten B, Aug. 11—both Pickford & Black Ltd.

*To Yokohama, Kobe, Shanghai, Hongkong, Manila, Cebu and Java.*—Silverbeech, July 27; Silveryew, Aug. 1—both Silver Line; Javanese Prince, Furness Prince Line, Aug. 16.

### From Vancouver

*To Yokohama, Kobe and Osaka.*—Hikawa Maru, Aug. 14; Hiye Maru, Aug. 28—both Nippon Yusen Kaisha.

*To Yokohama, Kobe, Shanghai, Hongkong and Manila.*—Empress of Canada (calls Honolulu), Aug. 7; Empress of Russia (calls Nagasaki), Aug. 19; Empress of Japan (calls Honolulu), Sept. 4—all Canadian Pacific; Talhybius, Aug. 21; Tyndareus, Sept. 18—both Blue Funnel Line (call at Miike but not at Manila).

*To Bombay, Colombo, Belawan Deli, Penang, Singapore, Batavia, Samarang, Soerabaya, Davao and Manila.*—Hoeg Merchant, Silver-Java Pacific Line, Aug. 2.

*To Honolulu, Suva, Auckland and Sydney.*—Niagara, Aug. 3; Aorangi, Aug. 31—both Canadian-Australasian Line.

*To Papeete, Auckland, Wellington, Lyttelton, Dunedin, Melbourne and Sydney.*—A steamer, Canadian Australasian Line, August.

*To London, Liverpool and Rotterdam.*—Lochgoil, Aug. 7; Delftdyk (calls at Glasgow), Aug. 21; Lochkatrine, Sept. 4—all North Pacific Coast Line.

*To Antwerp, Hamburg and Bremen.*—Schwaben, Aug. 18; Elbe, Sept. 5—both North German Lloyd Line; Tacoma, Aug. 2; Portland, Aug. 9; Vancouver, Aug. 25—all Hamburg-American Line.

*To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.*—San Francisco, July 26; Wyoming, Aug. 10—both Empire Shipping Co. Ltd.

*To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.*—Chisone, Empire Shipping Co., Aug. 16.

*To Port of Spain (Trinidad) and Bridgetown (Barbados).*—A steamer, Canadian Transport Co., August.

*To Kingston (Jamaica).*—Brynje, Canadian Transport Co., about July 30.

*To Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques, Colombo, Calcutta and Madras.*—Silverbelle, Silver-Java Pacific Line, Aug. 5.

*To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.*—Leikanger, Empire Shipping Co., July 30.

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## CONDENSED LIST OF PUBLICATIONS ISSUED BY THE DEPARTMENT OF TRADE AND COMMERCE

Applications for publications in this list, together with remittances therefor, should be addressed to the King's Printer, Government Printing Bureau, Ottawa, marked "Attention Chief Clerk of Distribution."

### GENERAL

**Annual Report of the Department of Trade and Commerce.**—A review of the salient features of Canada's export and import trade and a summary of the activities of each of its Branches, including the Commercial Intelligence Service; Foreign Tariffs Division; Dominion Bureau of Statistics; Board of Grain Commissioners; Weights and Measures Inspection Service; Electricity and Gas Inspection Services; Publicity; Government Motion Picture Bureau; Exhibition Commission; Steamship Subsidies; Precious Metals Marking Inspection; also a statement of Revenue and Expenditure. (Price 25 cents.)

**Annual Report of the Board of Grain Commissioners.**—The administration of the Canada Grain Act during the calendar year, including reports of such officers as the Registrar, Chief Inspector, Chief Weighmaster and General Manager of the Canadian Government Elevators, prepared in accordance with Section 23 of the Act. (Price 25 cents.)

**Annual Report of Electricity and Gas Inspection Services.**—A summary of the work of these services with statistics of revenue and expenditure, as also statement showing meters, electrical energy generated for export, and lists of companies registered under the Electricity Inspection Act. (Price 25 cents.)

**Annual Report of Dominion Grain Research Laboratory.**—Details of investigations carried out in the Laboratory relating to qualities of Canadian wheat; also investigations on inquiries to further the sale of Canadian wheat and flour; milling and baking characteristics of the last crop; various forms of co-operation with Universities, Experimental Farms and other Government institutions, producers, milling and grain organizations in Canada and abroad; investigations relating to grading system, etc. (Price 10 cents.)

**Annual Report of Weights and Measures Inspection Services.**—Summary of the work of this Service with statement showing revenue and expenditure; weighing machines, measures of capacity, measuring devices and lineal measures, etc., inspected in each district. (Price 10 cents.)

**Catalogue of Motion Pictures.**—List of all films available in the Government Motion Picture Bureau, with title and brief description. It is in loose leaf form, in order that revision may be made from year to year. (Price 25 cents.)

**List of Grain Elevators.**—Details of all Grain Elevators in Western and Eastern Divisions, also licensed grain commission merchants, track buyers of grain and grain dealers, and summary of grain loading platforms in Western Division. (Price 50 cents.)

### PUBLICATIONS OF THE COMMERCIAL INTELLIGENCE SERVICE

**Commercial Intelligence Journal.**—Published weekly in English and French, containing reports of Trade Commissioners and other commercial information. The annual subscription in Canada is \$1 and outside Canada, \$3.50.

Publications of the Commercial Intelligence Service are compiled with a view to furnishing Canadian exporters with information respecting the possibilities for the sale of Canadian goods abroad, the nature of the competition to be encountered, Customs requirements, etc., and are not intended for general distribution. The publications available include leaflets giving Invoice Requirements and a series on Points for Exporters, both covering countries included in the territories assigned to Trade Commissioners.

From time to time special reports are issued separately, which subscribers to the Commercial Intelligence Journal are entitled to receive free of charge. In all other cases their distribution is controlled by the King's Printer, who fixes a price therefor.

### PUBLICATIONS OF THE DOMINION BUREAU OF STATISTICS

The following is an abbreviated list of publications of the Dominion Bureau of Statistics:—

**Census of Canada.**

**Miscellaneous Statistics** respecting the following: Business; Education; Employment; Finance (Provincial and Municipal); Justice; Transportation, including railways and tramways, express, telegraphs, telephones, water, etc.; Production, including agriculture, furs, fisheries, forestry, mining, construction and manufactures; Vital: births, deaths, marriages, divorces.

**Canada, 1937.** (Price 25 cents.)

**Canada Year Book.** (Price \$1.50.)

**Report of the Dominion Statistician, Annual.** (Price 10 cents.)

**Trade (External), (Imports and Exports)—Annual Reports:** Fiscal Year (price \$3), Calendar Year (price 50 cents); **Quarterly Report** (price \$2 per annum); **Monthly Report** (price \$1 per annum).

**Trade (Internal), Prices, cost of living, capital movements, etc.** (Price 50 cents.)

**Monthly Review of Business Statistics.** (Price \$1 per annum.)



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L. D. WILGRESS, *Director*

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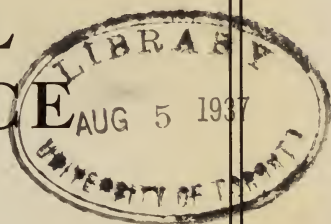
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**Note.**—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.



# COMMERCIAL INTELLIGENCE JOURNAL



Vol. LVII

Ottawa, July 31, 1937

No. 1748



Canadian Wheat being unloaded at Auckland, New Zealand

ISSUED BY AUTHORITY OF  
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE  
JAMES G. PARMELEE, DEPUTY MINISTER

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# COMMERCIAL INTELLIGENCE JOURNAL

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Vol. LVII

Ottawa, July 31, 1937

No. 1748

## WHEAT AND FLOUR TRADE REGULATION IN EUROPEAN COUNTRIES

### 1. United Kingdom

FREDERIC HUDD, CANADIAN TRADE COMMISSIONER

[Subjoined is the first of a series of reports on "Wheat and Flour Trade Regulation in European Countries."]

#### WHEAT

London, July 12, 1937.—There is no quantitative regulation of the import of wheat into the United Kingdom. During the lifetime of the United Kingdom-Canada Trade Agreement, 1937, Canadian-grown wheat is accorded a minimum tariff preference of 2s. (48 cents) per quarter of 480 pounds (approximately 6 cents per bushel). At the present time foreign wheat is dutiable at that rate, while wheat of Canadian or other Empire origin is admitted free provided that the usual conditions attached to Imperial Preference are observed.

#### WHEAT ACT, 1932

The Wheat Act, 1932, set up machinery to encourage the production of wheat in the United Kingdom. This takes the form of a subsidy payable to growers under particular conditions of supply and price.

The Act guarantees to registered growers of wheat in the United Kingdom a "standard price" of 10s. (\$2.43) per cwt. (112 pounds) in respect of their certified sales of millable wheat. This is equivalent to \$1.36 per bushel. The difference between the "standard price" and the "ascertained average price" (which represents the average price obtained by growers throughout the United Kingdom in a particular cereal year) determines the amount of the "deficiency payment" less a small deduction for administration expenses.

For the crop year 1935-36 the "ascertained average price" was approximately 5s. 9d. per cwt. (79 cents per bushel). The price deficit, therefore, was 4s. 3d. per cwt. or 57 cents per bushel. While the "deficiency payments" are actually due after the close of the cereal year (August 1-July 31), the Wheat Commission which administers the Act are empowered to make payments in advance and this policy has in fact been followed. Owing to the recovery of wheat prices which has occurred, it is expected that the "deficiency payment" for the year just closing will be much smaller. According to the latest information the figure, when fixed, will probably be in the neighbourhood of 1s. 1d. per cwt. or 14 cents per bushel.

Millable wheat is defined for the purposes of the Wheat Act as follows:—

Millable wheat shall be wheat which is sweet and in fair merchantable condition, commercially clean as regards admixture and tailings, and commercially free from heated or mouldy grains or objectionable taint, and capable of being manufactured into a sound and sweet flour fit for human consumption having regard to the customary methods employed in the milling industry for cleaning and conditioning wheat.

If wheat does not comply with this definition but can be made to do so by cleaning or conditioning, the grower must, before selling it, apply to the Commission for a permit to remove the wheat from the farm for the necessary treatment.

One of the virtues of the Wheat Quota Scheme is that it encourages the farmer to get the best possible price because, if he sells his wheat for more than the "ascertained average price," he will receive a sum in excess of the "standard price" of 10s. per cwt.

ANTICIPATED SUPPLY

It is important for the Wheat Commission to know early in each cereal year the quantity of wheat for which they will have to provide deficiency payments. They therefore estimate the "anticipated supply." The Wheat Act provides that if the certified sales of home-grown millable wheat in any year exceed the anticipated supply, the Wheat Commission shall make a proportionate reduction in the deficiency payment to registered growers.

In the Wheat Act a limit of 6,300,000 quarters (48 million bushels) was set to the "anticipated supply." The Government propose, as a part of the new agricultural policy which is now before Parliament, to increase this limit to 8,000,000 quarters (about 61,000,000 bushels) and thereby to stimulate a further increase in the wheat acreage by giving growers a valuable additional insurance.

QUOTA PAYMENTS

The "deficiency payments" are made from the Wheat Fund which is accumulated from the proceeds of the levy, known as the "Wheat Quota payment" payable by millers and importers of flour in respect of all flour, whether home milled or imported, delivered by them in the United Kingdom.

Under an order made in April this year, wheat quota payments were suspended because the Wheat Commission estimated that the Wheat Fund was sufficiently large to meet their liabilities in respect to deficiency payments for the crop year.

The following table shows the rates of quota payments, and the dates when they became effective, since the Wheat Act came into force:—

Date	Per Cwt.	
	Pence	Cents
June 19, 1932 . . . . .	10.8	22
October 30, 1932 . . . . .	13.2	26.5
August 2, 1933 . . . . .	16.8	34
November 5, 1933 . . . . .	21.6	44
August 12, 1934 . . . . .	19.2	38
March 17, 1935 . . . . .	21.6	44
September 29, 1935 . . . . .	19.2	38
November 3, 1935 . . . . .	16.8	34
February 23, 1936 . . . . .	14.4	29
August 9, 1936 . . . . .	9.6	19
November 1, 1936 . . . . .	4.8	10
January 27, 1937 . . . . .	2.4	5
April 18, 1937 . . . . .	Payments suspended	

GROWTH OF PRODUCTION

The Wheat Act has resulted in a marked increase in home production. In 1931 the acreage under wheat in the United Kingdom was the lowest on record, namely, 1,250,000 acres. In 1932 the wheat acreage had increased to 1,343,000 acres producing 41,530,000 bushels, and in 1933 to 1,745,000 acres yielding 59,450,000 bushels. In 1934 the area was 1,866,000 acres and the production 66,450,000 bushels. In 1935 the acreage expanded to 1,882,095 acres, the output being 62,330,000 bushels. In 1936 the area under wheat declined to 1,805,082 acres, the crop amounting to 54,344,000 bushels.



## FLOUR

There is no regulation of flour imports into the United Kingdom. Flour of foreign production is chargeable with import duty at the rate of 10 per cent ad valorem. Canadian and other Empire flour qualifying for Imperial Preference is exempt from this duty. Importers of flour, including Canadian, and also domestic flour millers, are required to pay the levy imposed under the Wheat Act as described above.

## TRADE OF SOUTH AFRICA IN 1936

J. L. MUTTER, CANADIAN TRADE COMMISSIONER

(Figures within parentheses relate to 1935; tons are in short tons of 2,000 pounds.)

## I

Johannesburg, June 29, 1937.—For the year 1936, the total trade of the Union of South Africa amounted in value to £200,467,594 as compared with £177,669,534 in 1935. Exclusive of goods in transit, imports totalled £86,299,361 and exports £114,168,233, as against £75,325,920 and £102,343,614 respectively in 1935. The value of gold included in the statistics of imports and exports for 1936 and in the comparative figures for 1935 has been calculated on the basis of the price ruling on the day of import and export. In former years separate figures were given for the standard value, calculated at the rate of £4.24773 per fine ounce, and the "premium."

Canada's share of the Union's import trade was valued at £2,882,089, or 3.6 per cent of total imports into South Africa, as compared with £2,436,737, or 3.4 per cent in 1935. As was the case in 1935, Canada ranked fifth in importance as a supplier of the Union's requirements, with the United Kingdom, United States, Germany, and Japan respectively occupying the first four places.

South African exports to Canada dropped from £767,877 in 1935 to £267,179 in 1936, largely in consequence of the failure of the Union's maize crop. The value of the shipments of this grain to Canada in 1935 was £374,139; in 1936 the value was £13,825.

## IMPORTS AND EXPORTS

The table following shows the value of trade in 1936 (import and export) with overseas and neighbouring countries, and the value of Government stores purchased as compared with 1935:—

<i>Imports</i>		
Merchandise—	1936	1935
From overseas . . . . .	£80,129,307	£70,627,405
From South West Africa and Northern-Southern Rhodesia . . . . .	910,916	923,922
Government stores . . . . .	5,182,748	3,670,953
Specie—		
From overseas . . . . .	8,444	14,558
From South West Africa and Northern Rhodesia . . . . .	8,851	21,923
Total . . . . .	£86,299,361	£75,326,920
<i>Exports</i>		
Merchandise—		
To overseas . . . . .	£108,318,621	£ 97,972,828
Imported goods re-exported . . . . .	1,324,003	1,400,295
To South West Africa and Northern Rhodesia, South African produce . . . . .	1,125,087	957,086
Imported goods re-exported . . . . .	752,784	697,185
Bunker coal* . . . . .	1,102,101	974,191
Other ships' stores† . . . . .	242,940	172,068
Specie—		
To overseas . . . . .	1,283,517	157,448
To South West Africa and Northern Rhodesia . . . . .	19,180	12,513
Total . . . . .	£114,168,233	£102,343,614

\* "Overseas" includes Southern Rhodesia. † Exclusive of ships' stores taken by South African vessels.

## BALANCE OF TRADE

The trade balance in favour of the Union for 1936, arrived at by subtracting the total of the c.i.f. and c. cost of imports, parcel post imports, the value of imports (f.o.r.) from South West Africa and Northern Rhodesia, and specie imports, from the total of visible exports, including ships' stores, was £22,034,332, compared with £21,836,044 for 1935. The following table shows the basis on which these figures are calculated:—

<i>Imports</i>		
	1936	1935
Total c.i.f. and c. cost of imports, excluding parcel post imports, from countries overseas ..	£89,156,000	£77,626,000
Value of imports per parcel post .. . . . .	1,975,152	1,815,990
Value of imports (f.o.r.) from South West Africa and Northern Rhodesia .. . . . .	985,454	1,020,099
Value of specie .. . . . .	17,295	36,481
Total visible imports .. . . . .	£92,133,901	£80,507,570

<i>Exports</i>		
	1936	1935
Grand total value of visible exports (including ships' stores) .. . . . .	£114,168,233	£102,343,614
Balance in favour of the Union .. . . . .	£ 22,034,332	£ 21,836,044

NOTE.—Value of gold bullion included in above figures calculated at the price ruling at the date of import and export respectively.

## Exports

South African produce, exclusive of specie, exported overseas during 1936, totalled in value £108,318,621 as compared with £97,972,828 in 1935, an increase of £10,345,793. The quantities and values of the principal articles exported were as follows:—

Article	Unit	1936		1935	
		Quantity	Value	Quantity	Value
Angora hair .. . . . .	lbs.	6,341,602	£ 427,265	10,628,782	£ 361,486
Hides and skins, ox or cow .. . . . .	lbs.	30,241,240	655,216	24,349,880	481,190
Goatskins .. . . . .	lbs.	5,269,975	206,216	5,760,139	143,703
Sheepskins .. . . . .	lbs.	32,502,423	1,020,881	34,708,626	797,425
Wool .. . . . .	lbs.	213,943,614	9,840,566	259,791,037	9,515,832
Wattle bark .. . . . .	lbs.	166,130,021	348,878	186,680,615	380,102
Bark extract .. . . . .	lbs.	76,687,493	428,107	77,017,721	387,530
Foodstuffs for animals .. . . . .	lbs.	108,392,435	157,302	135,087,184	202,260
Raw cotton .. . . . .	lbs.	760,610	21,167	1,182,240	28,871
Chrome ore .. . . . .	tons	109,396	181,640	66,621	168,980
Manganese ore .. . . . .	tons	229,105	259,481	89,849	109,531
Tin ore and concentrates .. . . . .	tons	1,158	128,330	1,072	112,807
Copper, bar .. . . . .	ctls.	199,732	342,315	188,436	340,323
Gold, produce of the Union .. . . . .	fine oz.	11,666,678	81,801,421	10,062,095	71,365,594
Platinum .. . . . .	fine oz.	27,950	164,718	32,934	189,400
Asbestos, raw .. . . . .	lbs.	49,417,379	326,464	47,428,379	307,182
Coal, cargo .. . . . .	tons	1,175,851	529,437	1,271,136	560,001
Diamonds, rough and uncut .. . . . .	met. crts.	1,002,588	2,509,088	2,416,574	2,090,941
Diamonds, cut and polished .. . . . .	met. crts.	35,372	804,387	38,930	884,584

## GOLD

Exports of gold bullion, the produce of the Union, amounted in quantity to 11,666,678 fine ounces valued at time of export at £81,801,421, all of which was consigned to the United Kingdom. Corresponding figures for 1935 were 10,062,095 fine ounces and £71,365,594 respectively.

## WOOL

Shipments of the principal agricultural export commodity of the Union during 1936 amounted to 213,943,614 pounds, a decrease of 45,847,423 pounds



compared with 1935. In value, however, 1936 shipments were greater by £324,734 than those of 1935, the average prices realized for grease wool having risen from 8·5 pence to 10·8 pence per pound, and for scoured wool from 16·5 pence to 18·7 pence per pound. Of all the grease wool exported, shipments to the United Kingdom amounted to 40,234,953 pounds valued at £1,737,254 as compared with 55,973,595 pounds valued at £2,060,854 in 1935. Shipments to Continental countries direct totalled 121,879,979 pounds valued at £5,211,023, compared with 188,416,735 pounds valued at £6,567,867. Exports to the United States amounted to 3,757,538 pounds (£198,168) as against 1,411,095 pounds (£69,292); and to Japan, 40,136,560 pounds (£2,087,552) as compared with 5,185,904 pounds (£217,208) in 1936 and 1935 respectively.

## FOODSTUFFS

The total value of articles of foodstuffs exported overseas and to South West Africa and Northern Rhodesia during 1936 was £6,517,077 as against £8,191,030 in 1935. Exports of maize—which, as a result of the almost complete failure of the crop, dropped from 999,351,718 pounds valued at £1,557,732 in 1935 to 35,593,130 pounds valued at £55,664—were almost entirely responsible for the decrease. Exports of butter were well maintained, being valued at £507,228, or £14,457 more than in 1935. Cheese exports were only half those of 1935, being valued at £54,419 as compared with £106,562. Exports of citrus fruit, deciduous fruit, grapes, dried fruit, and fruit otherwise preserved, all showed improvement, both as to quantity and value, over 1935 figures, as did those of fresh and frozen fish, dried and cured fish, and Cape lobster.

Sugar exports, totalling 296,654,301 pounds valued at £1,184,732, were considerably less than in 1935 when the quantity exported was 440,832,247 pounds valued at £1,763,956. Exports of wines, spirits, and beverages were valued at £258,391 compared with £257,432 in 1935. The appended table gives details of the principal items making up the total figure under the foodstuffs heading, and compares quantities and values for 1936 with those for 1935:—

Article	Unit	1936		1935		Inc. (+) or Dec. (—) Compared with 1935	
		Quantity	Value	Quantity	Value	Quantity	Value
Butter . . . . .	..lbs.	9,252,270	£ 507,228	8,874,183	£ 492,771	+ 378,087	+ 14,457
Maize . . . . .	..lbs.	35,593,130	55,664	999,351,718	1,557,732	—963,758,588	— 1,502,068
Maize meal . . . . .	..lbs.	25,890,656	44,595	286,226,381	433,428	—260,335,725	— 388,833
Cheese . . . . .	..lbs.	1,364,278	54,419	2,647,978	106,562	— 1,283,700	— 52,143
Eggs in the shell . . . .	number	46,061,373	174,512	43,828,976	166,248	+ 2,232,397	+ 8,264
Fish—							
Fresh and frozen . . . .	..lbs.	2,768,511	76,933	2,108,519	58,101	+ 659,992	+ 18,832
Dried and cured . . . .	..lbs.	3,374,585	53,476	2,443,195	39,125	+ 931,390	+ 14,351
Preserved (crayfish) . .	..lbs.	3,438,827	228,491	2,591,583	171,667	+ 847,244	+ 56,824
Fruit—							
Citrus . . . . .	Number of boxes	2,685,062	1,362,565	2,421,981	1,186,337	+ 263,081	+ 176,228
Deciduous . . . . .	Number of boxes	2,707,091	782,473	2,294,087	631,381	+ 413,004	+ 151,092
Grapes . . . . .	Number of boxes	1,880,696	544,741	1,615,316	465,787	+ 265,380	+ 78,954
Dried . . . . .	..lbs.	17,922,516	357,512	13,026,722	223,181	+ 4,895,794	+ 134,331
Preserved . . . . .	..lbs.	7,808,625	124,579	5,983,096	90,574	+ 1,825,529	+ 34,005
Jams and jellies . . . . .	..lbs.	973,500	19,793	1,059,336	23,643	— 85,836	— 3,850
Meats, fresh . . . . .	..lbs.	22,391,171	288,058	14,519,943	163,989	+ 7,871,228	+ 124,069
Milk, condensed . . . . .	..lbs.	131,591	4,568	790,115	24,169	— 658,524	— 19,601
Nuts, edible . . . . .	..lbs.	462,873	8,017	180,871	3,484	+ 282,002	+ 4,533
Pulse, in the grain . . . .	..lbs.	756,099	8,470	458,500	4,157	+ 297,599	+ 4,313
Sugar . . . . .	..lbs.	296,654,301	1,184,732	440,832,247	1,763,956	—144,177,946	— 579,224
Molasses and treacle . . .	..lbs.	86,827,257	29,896	87,637,104	29,418	— 809,847	+ 478

## DIAMONDS

There was a marked decline in the quantity of rough and uncut stones exported during the year, but a fairly substantial increase in value as compared with 1935. The quantity exported fell from 2,416,574 carats to 1,002,588 carats, while the value advanced from £2,090,941 to £2,509,088. The average prices

realized over the two years 1935 and 1936 were 17s. 4d. and £2 10s. 1d. per carat respectively. The low value recorded during 1935 was due to the inclusion of a large proportion of industrial stones. Cut and polished stones declined both in quantity and value, exports amounting to 35,372 carats valued at £804,387, as compared with 38,930 carats valued at £884,584 in 1935.

#### HIDES AND SKINS

Export shipments of ox and cow hides improved from 24,349,880 pounds, valued at £481,190 in 1935, to 30,241,240 pounds, valued at £655,216. The average prices realized were also better, having advanced from 4·7 pence to 5·2 pence per pound. The quantity of sheepskins exported fell off—32,502,423 pounds as against 34,708,626 in 1935. On the other hand, in consequence of the improvement in the prices realized, 1936 exports were valued at £1,020,881 or some £200,000 more than in 1935. The prices realized during 1936 averaged 7·5 pence, or 2·0 pence per pound more than in the previous year. Exports of goatskins fell from 5,760,139 pounds in quantity to 5,269,975 pounds, but the value increased from £143,703 to £206,216. Here again the average price per pound realized was responsible, the respective figures for 1935 and 1936 being 6 and 9·4 pence per pound.

#### MOHAIR

In spite of a marked decline in export shipments—6,341,602 pounds as against 10,628,782 pounds in 1935—the average prices realized for this commodity were almost double those of the previous year (16·2 pence per pound compared with 8·2 pence), with the result that the total values recorded advanced from £361,486 to £427,265.

#### WATTLE BARK AND WATTLE EXTRACT

Exports of bark showed decreases, both as to quantity and value, the figures for 1935 and 1936 respectively being 186,680,615 pounds, value £380,102, and 166,130,021 pounds, value £348,878. The average value per ton was slightly higher, £4 4s. as against £4 1s. 5d. in 1935. Exports of wattle extract, at 76,687,493 pounds, came very near to the record total of 77,017,721 pounds recorded in 1935. The average prices realized during 1936 and 1935 were £11 3s. 4d. and £10 1s. 3d. per ton respectively, so that the declared value of exports for the year under review was £428,107 or £40,577 more than in 1935.

#### DESTINATION OF EXPORTS

South Africa's principal overseas customers, together with the value of exports consigned to each in 1936 and in 1935, are listed in the following table:—

	1936		1935	
	£1000	Per Cent	£1,000	Per Cent
United Kingdom.. . . . .	11,387	43.0	11,737	44.1
France.. . . . .	2,843	10.7	2,777	10.4
Japan .. . . . .	2,335	8.8	428	1.6
Germany .. . . . .	2,325	8.8	3,795	14.3
Belgium .. . . . .	1,787	6.7	1,974	7.4
Southern Rhodesia .. . . . .	1,057	3.9	1,109	4.1
United States.. . . . .	1,030	3.9	645	2.4
Holland .. . . . .	848	3.2	914	3.4
Italy .. . . . .	389	1.5	674	2.5

NOTE.—(a) Exports of gold bullion and specie excluded. (b) Since 1935 the term "overseas" includes Southern Rhodesia for South African customs purposes.

The countries above mentioned imported approximately 90·5 per cent of South African produce (exclusive of gold) exported during 1936 as compared with 90·2 per cent in 1935.



Imports into the United Kingdom during 1936 of South African produce were valued at £11,387,089 as against £11,737,612 in 1935, a decrease of £350,523. Her share of the trade on a percentage basis was also slightly lower, amounting to 43 per cent as compared with 44.1 per cent. Shipments to other parts of the British Empire declined from £2,611,861 to £2,182,725, or from 9.8 to 8.2 per cent. Exports to foreign countries advanced from £12,257,761, equalling 46.1 per cent in 1935, to £12,947,386, or 48.8 per cent.

The United Kingdom maintained her position as the principal market for the Union's foodstuffs, having absorbed 78.9 per cent and 74.1 per cent respectively of the foodstuffs exported overseas during 1936 and 1935.

With regard to foreign countries, France has regained her position as the Union's chief foreign customer, having taken £2,843,336 as compared with £2,777,432 in 1935. The principal items exported to that country in 1936, with values for 1935 in parentheses, were: mohair, £33,494 (£16,059); ox and cow hides, £48,069 (£28,046); goatskins, £31,245 (£21,305); sheepskins, £319,278 (£257,202); grease wool, £2,026,780 (£2,194,027); crayfish, preserved, £204,209 (£132,986); and manganese ore, £43,069 (£13,007).

As a result of exceptionally large purchases of wool, Japan has moved up from seventh position to second in the list of countries of destination. Exports in 1936 totalled £2,335,990 as against £428,387; the principal commodities involved were: ox and cow hides, £37,651 (£21,779); wool, £2,160,898 (£218,347); wattle bark, £40,434 (£39,788); wattle extract, £36,884 (£21,337); and asbestos, raw, £28,357 (£30,497).

The value of exports to Germany during 1936 amounted to £2,325,291, or £1,470,198 less than in 1935, smaller shipments of wool being largely responsible for the decrease. The principal items were: ox and cow hides, £104,617 (£145,020); sheepskins, £22,924 (£52,337); goatskins, £39,688 (£27,608); wool in the grease, £1,776,110 (£3,011,362); scoured wool, £61,441 (£210,782); wattle bark, £26,199 (£68,588); wattle extract, £32,037 (£52,682); chrome ore, £56,796 (£120,412); manganese ore, £96,219 (£10,798); and crude asbestos, £25,071 (£26,651).

Exports to Belgium totalled £1,787,072 as against £1,974,846 in 1935, and were comprised mainly of ox and cow hides, £31,596 (£3,262); grease wool, £742,284 (£654,571); scoured wool, £88,881 (£72,960); wattle extract, £16,658 (£15,994); rough and uncut diamonds, £316,719 (£351,338); and diamonds, cut and polished, £531,491 (£681,268).

Shipments to the United States were valued at £1,030,165 in 1936 as compared with £645,028 in 1935. The principal items were: goatskins, £92,702 (£55,784); sheepskins, £304,848 (£211,559); grease wool, £198,168 (£69,292); wattle bark, £29,760 (£30,003); chrome ore, £74,658 (£36,476); crude asbestos, £40,844 (£23,043); corundum, £35,171 (£41,232); and rough and uncut diamonds, £63,206 (£80,280).

Exports consigned to Holland during 1936 were valued at £84,676, some £60,000 less than in 1935. Ox and cow hides, £20,431 (£19,209); sheepskins, £26,709 (£27,447); grease wool, £105,298 (£41,385); wattle bark, £30,270 (£75,595); wattle extract, £32,663 (£39,403); maize, £17,771 (£238,088); manganese ore, £70,311 (£39,200); diamonds, rough and uncut, £190,198 (£219,160); whale oil, £78,593 (£21,014); and diamonds, cut and polished, £219,037 (£152,692), were the main items.

Shipments to Italy during 1936 amounted in value to £389,365 as against £674,310 in 1935, and consisted mainly of hides, £22,796 (£106,000); sheepskins, £3,337 (£46,796); grease wool, £308,721 (£385,985); scoured wool, £27,631 (£19,546); wattle bark, £2,037 (£4,769); wattle extract, £6,844 (£2,223); copper bar, £7,885 (£8,500); and crude asbestos, £1,020 (£12,562).

## EXPORTS TO CANADA

South African exports to Canada during 1936 were valued at only £267,179 compared with £767,877 in 1935. This drop is regrettable, particularly as imports into the Union from Canada for the same two years were valued at £2,882,089 and £2,436,737, respectively. The following table lists the principal items shipped to Canada during the year under review and compares the values with those for previous years:—

	1936	1935	1934	1933
Sugar . . . . .	£164,505	£301,546	£158,595	£ 951,268
Maize . . . . .	13,825	374,139	466,541	35,810
Wool (scoured) . . . . .	22,134	29,113	20,701	11,743
Wool (grease) . . . . .	5,719	9,149	1,811	.....
Citrus fruit . . . . .	.....	.....	51,064	4,663
Tinned pineapple . . . . .	8,131	3,698	1,309	2,211
Dried fruits . . . . .	29,478	27,164	33,377	16,700
Wines and spirits . . . . .	16,266	12,781	11,852	6,741
Manganese ore . . . . .	5,000	5,868	6,036	1,521
Other commodities . . . . .	2,121	4,802	5,278	9,179
Total . . . . .	£267,179	£768,260	£754,753	£1,039,336

It will be obvious from the above table that two commodities, sugar and maize, dominate South Africa's export trade with Canada. In 1935 nearly half the value of South African produce exported to Canada was accounted for by shipments of maize. In 1936, due entirely to the almost complete failure of the South African maize crop, shipments of this grain were negligible, being valued at only £13,825. Moreover, exports of sugar declined appreciably with the result that the total value of all South African exports to Canada reached little more than a third of the figure for 1935.

Exports of wool, both scoured and in the grease, were somewhat smaller, being valued at £27,853 as compared with £38,262 in 1935. Three items, in which worthwhile increases were recorded, were tinned pineapple, £8,131 (£3,698); dried fruits, £29,478 (£27,164); and wines and spirits, £16,266 (£12,781).

Statistics of South African trade with Canada for 1937 should show a considerable improvement over those for the year under review. The last maize crop established a record, being estimated at something in the neighbourhood of 25,000,000 bags, and it is known that, during the past three months, a considerable number of large shipments of the grain has been made to Canadian ports of destination.

## ECONOMIC CONDITIONS IN NEW ZEALAND

R. P. BOWER, ASSISTANT TRADE COMMISSIONER

Auckland, June 22, 1937.—Economic recovery in New Zealand has continued unabated into 1937. The value of cheque transactions, bank note circulation, and saving deposit balances have all reached record levels. The value of the exports during the financial year ended March 31 established a record, and imports were the highest for some years past. Unemployment figures showed 34,218 unemployed males as of May 8, compared with 34,249 on April 10, and 51,239 in May, 1936. In many trades a shortage of labour exists.

Stock market averages have altered very slightly during the year. On the base 1926=1000, the figure at the end of March, 1937, was 991 compared with 981 at the same period in 1936. Higher wages and manufacturing costs have in many cases offset increased volume and higher prices. Advances by the trading banks showed an upward movement in April, the average amount of outstanding advances in that month being £47,414,172 as compared with £46,853,679 in March.



## EXTERNAL TRADE

Total trade for the first three months of 1937 was valued at (New Zealand currency expressed in Canadian equivalents) \$141,454,776 compared with \$113,675,620 for the corresponding period of 1936. The favourable balance on the three months' operations amounted to \$37,186,000, an increase of \$480,000 over the balance for the 1936 period.

Imports for the first quarter of 1937, valued at \$52,000,000, were \$13,500,000 greater than for the first three months of 1936. Motor vehicles were the largest individual import, 9,442 units (6,188 in the 1936 corresponding period) valued at \$5,785,000 (\$3,838,576), of which \$1,676,000 (\$1,021,000) were credited to Canada. Increases were recorded in imports of arms, ammunition and explosives; books, papers and music; rubber tires; timber; wearing apparel; electrical machinery and equipment; agricultural machinery and equipment; radios; boots and shoes; cigarettes and sugar; and decreases in jewellery, asphalt, crude petroleum, and fuel oil.

## IMPORTS FROM CANADA

Of 168 items listed in the statistics as imports from Canada, 123 were higher in value in the first quarter of 1937 than in the same period of 1936, and 45 were lower. Total figures for the two periods were \$4,160,676 and \$3,148,136 respectively.

The largest increase was in motor vehicles (from \$1,021,000 to \$1,676,000), followed by gum boots, imports of which rose from \$103,000 to \$170,000. Other important increases, with 1936 values within parentheses, were recorded in electric ranges, \$68,000 (\$6,800); apparel n.e.i., \$77,500 (\$26,600); metal-working machines, \$33,000 (nil); rough sawn Douglas fir, \$62,000 (\$32,000).

The greatest decrease occurred in newsprint, imports of which fell from \$338,600 for the first quarter of 1936 to \$192,600 for the same period of 1937. The explanation lies in the exceptionally heavy imports that took place in 1936 in anticipation of price advances.

Owing to the Government regulation of flour imports, receipts from Canada declined from \$125,000 to \$23,600 and imports from all sources dropped from \$192,000 to \$26,100. Importation is prohibited except under exceptional circumstances; the above business probably represents the winding up of contracts made prior to the coming into effect of the regulations.

Imports of silk and artificial silk from Canada were valued at \$36,200 for the quarter, a drop of \$76,600 compared to the same period of 1936. Imports of miscellaneous electrical apparatus fell by \$32,200 to \$41,000. Smaller declines were shown in imports of hosiery, electric meters, dairying machinery, and rubber belting.

## EXPORTS

Exports for the first quarter of 1937 were valued at \$89,000,000 compared to \$75,200,000 for the same period of 1936.

The largest individual increase was in shipments of wool, which rose by \$10,000,000 to \$36,100,000. Other exports, with figures for the first quarter of 1936 within parentheses, were: butter, \$18,980,000 (\$16,370,000); frozen lamb, \$12,660,000 (\$12,173,000); sheepskins, \$1,440,000 (\$1,240,000); and gold, \$1,550,000 (\$1,320,000). Decreases were shown in the value of frozen beef, mutton, and pork exports.

Exports from New Zealand for the four months ended April 30, 1937, were higher to practically every destination. The only important decrease took place in shipments to France, where the value fell from \$5,355,000 to \$2,800,000. The principal destinations for the period, in the order of importance, with approximate values, were: United Kingdom, \$86,400,000; United States, \$10,370,000; Japan, \$9,800,000; Canada, \$3,865,000; France, \$2,800,000; and Australia, \$2,460,000.

## EXPORTS TO CANADA

Shipments from New Zealand to Canada for the first quarter of 1937 were valued at \$2,567,000, an increase of \$1,580,000, or 62 per cent, over the same period of 1936. Greasy wool was largely responsible for this improvement, shipments increasing from \$730,000 to \$1,378,000. Other increases were: sheepskins, \$167,600 (\$59,000); cattle hides, \$126,000 (\$56,000); and sausage casings, \$372,000 (\$165,000). Minor declines were shown in butter, calfskins, and slipewools.

## BUILDING ACTIVITY

The increase in building activity, which has been expected for some time, has not materialized to the extent anticipated. The projected Government housing scheme has tended to check the erection of private dwellings. Construction costs are higher, and real estate values have increased. The total value of building operations for which permits were issued in the larger towns in April was \$2,408,000, an increase of 23.6 per cent over the total in March, and of 38.3 per cent over the total for April, 1936. Only once since March, 1930, has the April figure been exceeded.

## PRICES

Taking 1926-30=1000, the retail price index for the three food groups rose 21 points from 923 in March to 944 in April. The index for the grocery group rose 11 points; combining the latest available indices on all groups, the index in April stood at 911, an increase of 8 points over the previous month.

The export prices index (1909-13=1000) increased 50 points to 1,401 during the month of April, the groups chiefly responsible for this result being as follows: dairy produce, 72 points; wool, 94 points; and minerals, 32 points.

Detailed statistics covering exports from Canada to New Zealand, and imports to Canada of New Zealand origin, for the three months ended March 31, 1937, are on file in the Department of Trade and Commerce, Ottawa, and may be obtained by interested Canadian firms on application (quoting file No. 18806).

## CONDITIONS IN NEWFOUNDLAND

A. E. BRYAN, INSPECTOR, CANADIAN TRADE COMMISSIONER SERVICE

## V. Import Trade—Continued

## CATTLE AND MEAT IMPORTS

The importation of meats, both live and dressed, into Newfoundland is greater than that of any other single foodstuff. Very little meat is produced in Newfoundland; the Colony depends almost entirely on imported supplies. The total value of live cattle, meats, poultry, etc., imported last year amounted to \$1,896,218, made up as follows: live animals, \$143,683; fresh meats, \$180,786; poultry and game, \$52,329; pickled (salted) meats, \$1,177,563; pork products, \$214,707; other meat products, \$127,150.

A census of animal production for the Colony in 1935-36 showed that there were in Newfoundland 11,700 cows, 7,300 cattle, 8,900 other horned cattle, 60,000 sheep, 8,000 swine, 12,000 goats, 250,000 poultry, 2,000 geese, 8,000 ducks, and 1,300 turkeys.

Sheep outnumber by far any other class of live stock except poultry, due to the fact that there are large areas of rough hilly country well suited to sheep-grazing, and also because feed is too scarce for maintaining large numbers of cattle over the winter months. The sheep are not of a very high standard, but the Government is taking an active part in developing this industry and recently imported 800 breeding ewes and rams for this purpose.



## LIVESTOCK IMPORTS FROM CANADA

Imports of livestock from Canada into Newfoundland during 1936 were as follows: oxen and bulls, 1,558 (\$59,310); cows, 1,486 (\$56,569); calves, 164 (\$1,271); sheep, 167 (\$673); pigs under 3 months old, 4,942 (\$21,086); other pigs, 409 (\$4,774). In view of the encouragement given to the industry, a steady demand for Canadian livestock will continue.

## DEVELOPMENT OF CATTLE TRADE

Formerly all meats were imported in carcass, but in recent years there has been a tendency (particularly during the season of navigation) to import live butcher cattle from Western Canada, from Montreal, and from Toronto, and from Prince Edward Island. Chilled beef is brought in for the most part during the months of November to April and May. There are no slaughter-houses in Newfoundland and cattle are auctioned off on arrival to individual butchers for killing and dressing.

There are seven independent operators importing live cattle into Newfoundland. Having become accustomed to fresh meat, consumers now prefer to have it all the year round, so that even in the winter months a small number of live cattle are imported by butchers. This increase in the live cattle business has become a serious problem to Canadian packing houses operating in the Colony. These firms provided themselves with the necessary facilities for handling imported carcass beef and have no adequate arrangements for handling live cattle. However, it is quite apparent that, to take care of the increasing demand for fresh beef, it will be necessary before long to build up-to-date slaughter-houses so that butcher cattle may be brought in alive throughout the year.

## METHOD OF LIVE CATTLE SHIPMENT

In 1936 there was a total of 2,116 head of livestock shipped to Newfoundland through the port of North Sydney. Shipments consisted of 1,300 head of cattle, 81 horses, 67 sheep and 47 hogs. In addition, a number of cattle were purchased in the Montreal market by the Newfoundland Sales Agency, a buying organization for certain Newfoundland interests. These were shipped during the season of navigation direct to St. John's.

Live cattle are usually shipped on consignment and are sold at auction to the highest bidder. Five per cent commission is charged by the auctioneer.

## LIVE CATTLE VERSUS DRESSED BEEF

One reason for the increasing imports of live cattle into Newfoundland is the fact that duties are now levied in such a manner that it is more profitable for the butcher to handle them. Bearing in mind that the duty on live cattle is 30 per cent of the dressed value, while the duty on dressed beef is 4 cents per pound, it may be explained that a good steer of (say) 600 pounds dressed weight would be appraised at approximately \$45 to \$50. At 30 per cent the duty would be \$13.50. A plain steer dressing the same weight (600 pounds) would be appraised at \$25 and be assessed at a duty of \$7.50. If the same two steers were imported as dressed beef, the duty would be 4 cents per pound or \$24 each. In bringing in the live cattle, the importer would have the hide and offal worth  $1\frac{1}{2}$  cents per pound, or about the equivalent of the duty paid on the live steer.

## LIVE PIGS

The import duty on live pigs entering Newfoundland is \$2.50 irrespective of weight (except sucklings under three months old) which enter duty free. On a dressed pig of one hundred pounds the duty would be \$4 at the specific rate

of 4 cents per pound. A pig weighing 400 pounds therefore would entail import duty of \$16. Under the present tariff therefore it pays the importer to buy live pigs rather than dressed pork.

On the other hand, feeds are expensive, and unless the pigs are killed soon after arrival the saving would be eliminated by the cost of maintaining the live animals. The result is that pickled pork and sweet pickled hams and bacon still constitute the Colony's chief import under this category.

#### FRESH MEATS

Most of the fresh or chilled beef is imported from November to May each year, although small quantities are brought in during the summer months. However, imports of fresh meats have been showing a gradual decrease. In February, 1937, 25,000 pounds of chilled beef were imported compared with 48,000 pounds for the same month a year ago. The principal demand is for hind-quarters, which generally sell at about 3 cents a pound higher than the carcass price.

Imports of fresh meats, not elsewhere specified, amounted to 1,626,324 pounds valued at \$166,905. The supplying countries were: Canada, 1,521,380 pounds (\$157,970); the United Kingdom, 93,209 pounds (\$7,741); and the United States, 11,085 pounds (\$1,123). During the same year 148,332 pounds of beef trimmings and fresh liver were imported to a value of \$13,881. Canada was the chief supplier.

#### CHILLED OR FROZEN LAMBS

Lambs in the carcass are imported from New Zealand during the months of January, February, and March. Purchases, however, are small, running from 150 to 200 carcasses a month. These lambs are bought usually from distributors in the United Kingdom. Local lamb is available from July to the end of the year. A few Canadian lambs are imported, but they are not as well liked as the New Zealand product.

An average monthly order by one of the importers would consist of 50 carcasses of lamb, 20 carcasses of mutton, and 50 pairs of lamb legs.

#### CANADIAN REPRESENTATION

Two large Canadian packing houses are represented in St. John's by branch offices. One of these has its own cold storage facilities and a branch office in Corner Brook to take care of the requirements of the West Coast. Salesmen maintain contact with the retailers.

There is a good demand for fresh meats from Corner Brook, Grand Falls, Deer Lake, and other points on the West Coast, and one Canadian firm caters to the market by having all shipments sent direct from their branch plant located at North Sydney. From this point there are sailings to Port aux Basques, Newfoundland, two or three times a week. Orders are telephoned to the local representative and retailers can obtain fresh supplies regularly, not only of meats but all kinds of dairy products.

As a result of the excellent shipping facilities, goods ordered on Monday are delivered to the buyer in Newfoundland on the following Thursday. This method of purchasing fresh meats is said to be cheaper than bringing it in from St. John's by rail.

#### POULTRY AND GAME

Canada supplied over 92 per cent of all poultry imported into Newfoundland in 1936. The biggest demand is just before Christmas, when carload shipments are arranged from as far west as Winnipeg, with other shipments originating in Moncton and Toronto and sometimes Charlottetown, Prince Edward



Island. Small shipments of poultry have also been received from the Irish Free State.

Imports of dressed poultry totalled 211,826 pounds valued at \$51,666 in 1936. Canada supplied 193,075 pounds valued at \$47,653, and the United States 18,298 pounds valued at \$3,900.

The duty on dead poultry is 7 cents a pound.

#### PICKLED MEATS

By far the largest item of import under this heading is pickled or salted beef and pork in barrels of 200 pounds, the total value of which amounted last year to \$1,177,563. Only 17.8 per cent of the pickled meats originated in Canada. So important is this business that many large packing houses in England and on the Continent, as well as in the United States, Brazil, and Argentina, are represented in St. John's. These firms offer keen competition to importers of Canadian packing house products.

The import duty on pickled meats is \$2.05 per barrel, containers free.

The United States has for years been the largest supplier of pickled meats to Newfoundland. American packers have had long experience in this trade, supplying more or less the same quality to the West Indies and certain other markets. Many cuts are quite different to those from Canada, and, with one or two exceptions, consumers seem to prefer American cuts.

Flank rolls were almost entirely supplied last year from Canada. In fact, importers stated that they could not fill their requirements owing to shortage of Canadian supplies. These flank rolls are often used as a substitute for flank steaks imported from the United States.

Another big seller is the short rib cut, but up to the present little if any of this has been imported from Canada. One importer of Canadian meats intimated that he had been trying for a long time to persuade Canadian firms to supply a short rib cut exactly like that received from the United States.

Another popular seller is the "navel" cut. Here again the American cut is preferred. It is triangular in shape; the Canadian "navel" cut is more square in appearance.

Canadian firms are doing everything possible to supply this market with the type of pickled beef required, but owing to shortage of supply and the difference in cuts importers are forced to purchase at least 35 per cent of their requirements in the New York and Chicago markets.

#### PICKLED PORK

Eighty per cent of the barrel pork sold in Newfoundland is what is called fat back, and it is almost entirely from the Chicago market. The Canadian cut is more of a rib back and sometimes is used as a substitute for American ham-butt pork.

As in the case of beef, pork is shipped in 200-pound barrels, and there are 80 to 100 pieces of fat back to a barrel. One importer explained that Canadian packers had difficulty in competing with United States suppliers owing to the fact that most of the hogs used for pickling purposes come from the peanut or corn belt in the Southern States where feed for producing the packer-type of heavy hog is very cheap compared with the cost in Canada.

Ten per cent of the total pork requirements consists of spare ribs. The United States packers formerly controlled the whole of this business, but of recent years Canadian packers have been experimenting and have now developed a cut which is entirely satisfactory to the Newfoundland consumer. As a result, the bulk of the imports of pork spare ribs came from Canada in 1936. As a matter of fact, importers could not secure sufficient quantities of this cut and were forced to turn to the United States to fill the remainder of their requirements.

One important pork product which is supplied almost exclusively from Canada is the "jowl" (head, jaw, cheek, and tongue). There is also a small demand (about 3 per cent) for small mess pork. This is cut from the loin and is packed 60 to 70 pieces to a barrel. It is sold mainly to the high-class trade in St. John's, Corner Brook, and Grand Falls.

The duty on pickled pork is the same as on pickled beef, namely, \$2.05 per barrel of 200 pounds, containers free.

#### PORK PRODUCTS

In this category are included sausages, n.e.s.; bologna sausage, hams and bacon, smoked; hams and bacon salted or pickled; dried salted bacon. The total imports in this category were valued at \$214,707 in 1936. Canada supplied over 70 per cent of the total requirements.

Small quantities of pork sausages are imported but the principal demand is for bologna sausage, which is cheap and is used mainly by the fishermen in the outports and by bushmen. Practically all the bologna sausage is Canadian. One importer purchases up to 2,000 pounds, or 200 cases, a month. Total imports in 1936 were 651,244 pounds valued at \$60,011, of which Canada supplied 650,830 pounds valued at \$59,914.

There is a good demand for "S.P." (sweet pickled) hams, which are purchased by local firms for smoking and curing. Canada has been supplying the bulk of the requirements. Recently Brazil has been offering green hams which were quoted at one cent per pound lower than the Canadian product, although it was admitted that they were not so good in quality. Brazilian hams will become attractive to buyers when the price is 2 or 3 cents per pound cheaper than the Canadian product. There are two well-known firms in St. John's who are curing hams and bacon, and they sell principally to the lower-priced trade.

Formerly nearly all of the green bacon supplied was Canadian, but recently Danish bacon has appeared on the market. It is imported in a sweet pickled state and then smoked and cured by firms in St. John's. The quality of this bacon is said to be inferior, but it is cheaper. It is subject to a duty of 1½ cents per pound, and after curing it is put on sale at a price which is much less than the finished bacon from Denmark or Canada.

The import duty on finished bacon is 6 cents per pound. Eighty per cent of the sales represent local cures. It retails at about 5 cents per pound cheaper than imported bacon. As a result there is only a limited demand for first-quality finished bacon from Canada.

The requirements for sweet pickled hams and bacon in Newfoundland for smoking and curing purposes call for 75 per cent hams and 25 per cent bellies. Two local concerns which are curing hams and bacon are said to be enjoying a good trade, with production continually increasing. The prospects for increased sales of Canadian sweet pickled hams and bacon therefore appear encouraging.

During the year total imports of hams, bacon or bellies, smoked and cured amounted to 167,952 pounds valued at \$40,526. Imports by principal countries were: Canada, 75,078 pounds (\$18,528); United States, 35,138 pounds (\$11,795); United Kingdom, 39,325 pounds (\$6,498); Denmark, 14,559 pounds (\$3,040). Imports of hams and tongues, dry, salted or pickled were 429,129 pounds valued at \$75,392, of which Canada supplied 284,035 pounds valued at \$51,160, and the United States 142,301 pounds valued at \$23,753.

During the same period total imports of bacon or bellies, dry, salted or pickled were 199,971 pounds valued at \$34,445. The principal supplying countries were: Canada, 104,037 pounds (\$17,975); Denmark, 51,294 pounds (\$8,630); United Kingdom, 34,657 pounds (\$6,668). Lesser quantities were imported from the United States, Argentina, and Brazil.



## OTHER MEAT PRODUCTS

In 1936 the imports of cooked meats, sausage casings, and lard were valued at \$127,150, of which 27·6 per cent originated in Canada. Argentina was the principal source of supply for corned beef; other tinned and preserved meats were received mainly from the United States.

Imports of cooked meats, hermetically sealed and known as corned beef and roast beef, amounted to 901,547 pounds valued at \$56,292. Of these imports Argentina supplied 634,477 pounds valued at \$37,262. Other supplying countries were: United States, 169,525 pounds (\$9,684); United Kingdom, 80,683 pounds (\$8,108); Canada, 12,762 pounds (\$1,021); Brazil, 4,100 pounds (\$216). Imports of all other cooked meats in tins were valued at \$27,830, the principal suppliers being the United States, Argentina, and Canada.

Sausage casings to a value of \$13,594 were imported last year. Canada is credited with 90 per cent of the trade. Ordinarily there are from 8,000 to 10,000 hanks of casings required per annum. Practically all of these are sheep casings. The import duty is 12 per cent. It is expected that this business will grow as local firms intend to increase their production of sausage, including bologna.

Prior to the granting of a preferential rate of 10 per cent to the United Kingdom, there were large imports of lard from the Dominion, but these have now decreased substantially. The only shortening now sold by Canadian producers are the 1-pound packages and the 3-, 5-, and 10-pound pails. United Kingdom firms supply most of the lard, which comes in tierces of 480 pounds. It is used by the biscuit manufacturers in St. John's.

## TRADE COMMISSIONERS ON TOUR

The following Canadian Trade Commissioners are now on tour in the Dominion: Mr. F. W. Fraser, Kingston, Jamaica (whose territory covers Jamaica, Haiti, the Bahamas, and British Honduras); Mr. G. R. Heasman, Cape Town, South Africa (whose territory includes Cape Province and South-west Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar); and Mr. L. S. Glass, Rio de Janeiro, Brazil. Their itineraries are as follows:—

## Mr Fraser

St. Stephen, N.B. . . . .	Aug. 2	Stewiacke and Kentville. . . . .	Sept. 7
Grand Manan. . . . .	Aug. 3 to 6	Truro and Pictou . . . . .	Sept. 8
Saint John. . . . .	Aug. 7 to 10	Charlottetown . . . . .	Sept. 9 and 10
Digby, Yarmouth, and Carleton. . . . .	Aug. 30	Port Elgin, Amherst and Sackville . . . . .	Sept. 11 to 13
Lockeport, Liverpool and South Brookfield . . . . .	Aug. 31	Sussex and Fredericton. . . . .	Sept. 14
New Germany, Lunenburg, Bridgewater and Mahone Bay . . . . .	Sept. 1	Grand Falls. . . . .	Sept. 15
Halifax . . . . .	Sept. 2 to 4	Quebec . . . . .	Sept. 16 and 17
		Grand'Mere and Terrebonne . . . . .	Sept. 18
		Montreal . . . . .	Sept. 20 to Oct. 9

## Mr. Heasman

Granby. . . . .	Aug. 3	Halifax . . . . .	Aug. 12
Quebec . . . . .	Aug. 4	Truro . . . . .	Aug. 13
Fredericton. . . . .	Aug. 6 and 7	Moncton. . . . .	Aug. 16
Saint John . . . . .	Aug. 9 and 10	Ottawa . . . . .	Sept. 16

## Mr Glass

Toronto . . . . .	Aug. 2 to 10	Saint John . . . . .	Aug. 20 and 21
Kitchener . . . . .	Aug. 11 and 12	Halifax . . . . .	Aug. 24 and 25
Hamilton. . . . .	Aug. 13 and 14	Montreal. . . . .	Aug. 27 to Sept. 8
London . . . . .	Aug. 16	Ottawa . . . . .	Sept. 27
Windsor. . . . .	Aug. 17		

Firms who wish to be brought in touch with the Trade Commissioners should communicate for Toronto, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other cities with the respective Board of Trade or Chamber of Commerce.

## CROP CONDITIONS IN NORWAY AND DENMARK

RICHARD GREW, CANADIAN TRADE COMMISSIONER

### Norway

Oslo, July 13, 1937.—The second report of the Director of the Norwegian Department of Agriculture on the condition of crops at the end of June states that the abundant rainfall experienced in June has, on the whole, had a good effect on the crops, although in the southern districts the warm weather did not set in until the end of June. The hay crop is expected to be large this year, while the quality, on the other hand, is not too good. As regards quantity, the preliminary estimates are 110 per cent of a normal year in the case of cultivated fields, and 107 per cent for natural fields. The condition of the grain crops is described as being very satisfactory, the present estimates being as follows: spring wheat 103 per cent, autumn wheat 103 per cent, spring rye 103 per cent, autumn rye 96 per cent, barley 103 per cent, and oats 102 per cent of a normal year. The same applies to root crops and potatoes, present crop estimates being 103 and 102 per cent respectively. The fruit crops, with the exception of apples, are not so promising, considerable damage having been caused this year by noxious insects.

### Denmark

The first crop report issued by the Danish Department of Statistics, dated July 6, covers only crop prospects for hay and the condition of pasture fields. According to this report, cultivated fields are expected to yield a total hay crop about 12 per cent above normal, and natural fields about 4 per cent above normal, and the condition of the pasture fields is described as being 4 per cent above that of a normal year. It is reported that a particularly good hay crop is expected from cultivated fields this year, the quality being described as satisfactory. The pasture fields are stated to be in need of rain.

## ECONOMIC CONDITIONS IN THE NETHERLANDS

W. G. STARK, ASSISTANT TRADE COMMISSIONER

(One florin equals approximately Can.\$0.55 at the current rate of exchange.)

Rotterdam, July 13, 1937.—During the first few months of the current year economic conditions in the Netherlands have shown a certain retardation, which was partly a reaction from the rapid progress in the second half of 1936 when expected rises in prices for various products strongly stimulated demand; but in most branches the ground recently lost has been recovered. Prices of raw materials, however, are rising more quickly and to greater heights than those of the finished products. The recent betterment in conditions in Netherlands India is of great importance to the mother country.

### FOREIGN TRADE

The foreign trade of the Netherlands during the period January to June, 1937, showed a considerable advance, both as regards imports and exports, over the corresponding period of 1935. The total value of imports during the first half of 1937 amounted to fl.746,000,000 as against fl.466,000,000 during the same period of 1936.

The value of exports rose from fl.319,000,000 to fl.533,000,000. The percentage of imports covered by exports thus increased from 68.3 to 71.3.

Trade with the United Kingdom has greatly improved, and the same applies to the United States principally owing to the effects of the recent United States—



Netherlands trade agreement. Business with Germany is impeded by the various transfer regulations. The recent visit of a Netherlands trade mission to South Africa is regarded as successful. Business with Canada is also considerably above that transacted in the January-to-June period of 1936.

The Oslo Convention between Finland, Sweden, Norway, Denmark, Belgium and Luxemburg, and Holland, signed on May 28, under which trade barriers are to be lowered, is a hopeful sign of the time.

### AGRICULTURE

On June 14 the condition of the cereal crops was below the past ten-year average owing to the wet and cold spring. Since then, however, the weather has been favourable and it is expected that there will be a general improvement.

The prospects for wheat, barley, and oats are from "good" to "fairly good"; rye from "fairly good" to "moderate." The potato and sugar beet crops are from "good" to "fairly good." The position of most vegetables is on the whole "good."

As regards the fruit crops, apples vary in the different districts from "moderate" to "good"; pears are only "moderate" and in certain parts of the country they are "poor." Other fruits are from "good" to "moderate."

### INDUSTRY

Improvement in the Netherlands was first noticeable in those branches of industry which are mostly connected with world markets, particularly the shipbuilding and the cotton industries; the latter continues to benefit from the quota restrictions in Netherlands India and the improved economic conditions there.

The general position of the wool industry during the period was better than last year at the corresponding period.

The seasonal revival of the shoe industry was greater than in 1936, and consequently the number of employed workers rose. Nevertheless, unemployment is still serious in certain localities, owing to mechanization of the factories. There is keen domestic competition in this trade. The diamond, radio, and coal-mining industries continue to make satisfactory progress.

Capital goods industries are more active and this applies particularly to the building trades.

### UNEMPLOYMENT

The total number of unemployed registered with the public labour exchanges on June 12 was 338,800 as against 455,800 at the end of 1936; it was approximately 70,000 less than on the same date last year. The general improvement is reflected in the number of hours of labour that are being worked in many plants and in the sum of wages and salaries that are being paid. The amount of total wages and salaries paid is certainly much above that received by workers in the January-to-June period of 1936.

### SHIPBUILDING

Recently important orders have been received by the shipbuilding industry. The Holland-Amerika Line has ordered two large passenger-freight vessels from Netherlands concerns, and two freight motor vessels, each measuring 10,000 tons, are being constructed in Denmark for account of the same firm.

The "Nederland" steamship company of Amsterdam, which operates a regular passenger and freight service to the Netherlands East Indies, has ordered a new passenger vessel measuring 20,000 gross tons. This is the largest ship which has ever been built for a Netherlands East Indian shipping company. A number of tank vessels are being constructed for account of the Royal Dutch Shell Company.

## SHIPPING

Shipping continues to be favourably affected by the general economic recovery. Both passenger and freight traffic has increased, so that at present there is a better equilibrium between supply and demand in so far as tonnage is concerned.

Since most shipping companies have had to use their reserves to renew their vessels, the Government will not now ask for repayment of the interest-free advances which have been made to shipowners. This is of great assistance to the industry and will permit the financing of new shipping issues.

Port traffic has also shown a further improvement. During the first half of this year 6,999 seagoing vessels, measuring 11,757,677 tons in total, entered Rotterdam, compared with 6,070 boats and 9,918,375 tons during the corresponding period of 1936.

## ISSUE MARKET

The issue market was very active during the first six months of 1936. Whereas the nominal value of new shares issued during 1936 was only fl.3,500,000, this had risen to fl.27,000,000 during the first half of 1937. This latter amount included fl.7,400,000 worth of shares issued by Netherlands East Indian cultivation and trading companies, fl.8,800,000 by industrial enterprises, and fl.6,250,000 by the Deli Railway Company.

As regards bonds, the amount of new money issued during the period under review was only slightly more than fl.10,000,000, although the total sum converted aggregate more than fl.1,000,000,000.

## PRICES OF SHARES

The Netherlands Central Bureau of Statistics has published the following table, showing the index figures of the prices of shares during the first and second quarters of 1937. (Basis 1930=100.)

	1st Quarter	2nd Quarter
Industry .. . . .	98.3	95.3
Banks .. . . .	102.6	101.4
Shipping companies .. . . .	92.7	116.9
International concerns .. . . .	72.1	71.3
Netherlands East Indian enterprises .. . . .	131.9	125.8
Petroleum companies .. . . .	115.1	112.4
General index figure .. . . .	108.1	106.3

The money market is easy, and banks continue to be in a liquid and sound financial position. State revenues are increasing.

## COST OF LIVING

Since the devaluation of the guilder on September 26, 1936, the cost of living has increased. According to the Amsterdam Bureau of Statistics, the index figures of the prices of the most important foodstuffs on June 1 and October 1, 1936, as well as on June 1, 1937, were as follows (1911-13=100):—

	June 1, 1936	Oct. 1, 1936	June 1, 1937
Bread .. . . .	153.0	153.0	164.7
Milk and cheese .. . . .	88.0	91.3	89.7
Meat and eggs .. . . .	90.3	98.2	101.2
Fats .. . . .	119.6	124.6	135.2
Groceries .. . . .	99.1	99.3	104.2
Potatoes .. . . .	109.1	81.8	90.9

## WHOLESALE PRICES

The general index of wholesale prices for June (basis 1926-30=100) records an increase of roughly 14 per cent since September 26, 1936, the date of devaluation. Foodstuffs are up 7½ per cent, raw materials average gains of 22 per cent, and manufactured products of about 13½ per cent.



## FISCAL CHANGES IN FRANCE

J. P. MANION, ASSISTANT COMMERCIAL ATTACHÉ

Paris, July 16, 1937.—The French financial crisis reached a climax on June 29 when security exchanges were closed by official decree preparatory to a readjustment in the position of the franc. When the exchanges reopened on June 30, it was stated that the franc would be allowed to find its natural level. Immediately the pound sterling went to over 128 francs, and the dollar to about 26 francs, these being levels approximating those existing previous to the British devaluation of 1931.

Allowing the franc to find its natural level was preliminary to a series of fiscal measures whose effect on foreign exchanges could not be adequately measured, and which could have placed a heavy burden on exchange equalization funds.

### INCREASE IN TARIFF RATES

From the point of view of international trade, the most important fiscal measure, other than the monetary freedom resulting in a 10 per cent devaluation, is that a general increase in tariff rates became effective as from July 12.

At the beginning of October, 1936, immediately after the first devaluation, the government in power at that time had decided to counterbalance the increased cost of imported goods by means of a decrease in customs duties. At that time duties on goods other than those imported under quota had been reduced by 20 per cent in the case of raw materials, 17 per cent in the case of semi-manufactured goods, and 15 per cent in the case of finished goods. It would be difficult to reimpose the full amount of the duty previous to that measure, since in the meantime the second devaluation has again increased the price of foreign goods, but as a measure guaranteeing an increase in revenue, an increase of 13 per cent on all the customs duties which were affected by the first regulation has been decreed. Duties on all goods coming in free of quota restrictions have therefore been increased by 13 per cent, an increase expected to bring in a special revenue equivalent to about \$40,000,000.

At the same time as the first measure mentioned above had been brought into force, licence taxes on imports had been reduced by 20 per cent. Licence taxes, except on apples, pears, and coal, have now been brought back to their original level by an increase of 25 per cent.

The third fiscal change affecting imports is that by which the recently instituted production tax is increased from 6 to 8 per cent. By this tax, every product except agricultural goods not transformed by a manufacturing process must pay 8 per cent of its value some time between its actual production and its sale to the consumer. On imported goods the tax is applicable at the time of import unless: (a) the product is a raw material going to an industry which pays the tax on its own sales; (b) the goods are imported by a department or chain store, which is obliged to pay the tax on its sales to customers, and therefore does not pay on its purchases. The increase in this tax is expected to bring in additional revenues of \$60,000,000.

### OTHER INCREASES

Substantial increases have been made in postage rates, domestic and foreign, and in telegraph and telephone services, the whole revision being estimated to bring in additional revenues of approximately \$30,000,000.

An increase in stamp and registration, in dividend and in income (20 per cent) taxes, and in the excise tax on gasoline, the imposition of a licence fee averaging \$24 on automobiles, and an increase in railway fares—these are among

the other measures that have been adopted in order to swell the revenues of the country.

The provisions affecting attempted evasions of duties or taxes, or of revenues derived from foreign countries, have been greatly strengthened. All companies registered in France are now obliged to declare the names and addresses of persons to whom dividends or interests are payable, whether the shares or bonds are nominative or bearer.

## YUGOSLAVIAN WHEAT CROP

A. B. MUDDIMAN, CANADIAN TRADE COMMISSIONER

Milan, July 8, 1937.—It is difficult this year to give an exact estimate of the Yugoslav wheat crop. This is owing to some uncertainty about the acreage sown. According to official estimates, 2,200,000 hectares have been sown with wheat—that is, about 2 per cent less than last year's acreage. Last year's crop was almost a record, being 2,600,000 tons, of which 500,000 tons were exported.

Competent private sources, however, consider the official estimates of acreage sown as about 200,000 hectares in excess of the area actually under wheat. If they are correct, the acreage sown is about 10 per cent under that of last year.

Climatic conditions during the winter were favourable, but April and early May brought too much rain and there were floods. Since then, however, the crop has had all it needs in the way of sunshine and moisture.

Experts estimate the new crop at 2,300,000 tons, of which 300,000 tons will probably be for export.

## EXPORTS TO THE UNITED STATES OF PRODUCTS UNDER THE QUOTA PROVISIONS OF THE TRADE AGREEMENT

The following table, prepared by the Canadian Trade Commissioner's office at New York from preliminary figures issued by the Treasury Department at Washington, shows the standing of the quotas provided for under the Canada-United States Trade Agreement for the first six months of 1937:—

	Total of Quota	Reduction in Duty	Amount of Quota used by Canada	Percentage of Quota used by Canada
Cattle (700 lbs. or more) . . . .	155,799 head	3 to 2c. per lb.	86,304	55.4
Calves (less than 175 lbs.) . . . .	51,933 head	2½ to 1½c. per lb.	Quota filled in June	
Dairy cows . . . . .	20,000 head	3 to 1½c. per lb.	3,070	15.4
Cream . . . . .	1,500,000 gals.	56% to 35c. per gallon	58,116	3.9
Seed potatoes . . . . .	750,000 bush.	75 to 60c. per 100 lbs. Dec. 1 to end of Feb. 45c. Mar. 1 to Nov. 30	606,753	80.9*
Unmanufactured lumber (Douglas fir and western hemlock) . .	250,000 M. ft. b.m.	\$1.00 to 50c. per M ft. b.m. duty. \$3.00 to \$1.50 tax	61,502 M ft. b.m.	24.6
Red cedar shingles . . . . .	1,048,262 squares	Free	1,035,819 squares	98.8

\* Figures from December 1, 1936, to the end of June, 1937, as the potato quota begins on December 1 each year, whereas all other quotas are dated from the first of the year.

These quotas do not represent limitations of imports (except in the case of shingles), but establish the quantity or number of each product or animal that will be permitted to enter under the reduced duty. In the case of shingles, provision was made in the treaty for the establishment of a six months' absolute



quota, limiting the entry of shingles under certain conditions. These provisions became operative for the first six months of this year. (See *Commercial Intelligence Journal* No. 1734, April 24, 1937.) No new quota has been set as yet for the current period July-December, so that shingles may still enter the United States unrestricted.

Except for cattle, and to a small extent for calves, Canada was the only participant in the quotas. For the first six months Mexico supplied 15.3 per cent of the cattle quota, thus leaving a total of 29.3 per cent of this quota still unfilled. Mexico also shipped an insignificant amount of calves, Canada being responsible for practically the whole quota.

## CHEESE MARKET CONDITIONS IN CHINA

H. A. SCOTT, CANADIAN TRADE COMMISSIONER

Shanghai, June 23, 1937.—In view of the periodical inquiries received at this office from Canadian exporters of cheese, the following notes covering the situation in this market may be of interest.

### EXTENT OF DEMAND

Cheese, a product of the Western world, has not found favour among the Chinese, who do not care for its odour or taste. It is true that a limited number of foreign-educated Chinese have acquired a liking for cheese when living abroad, and some authorities in the trade feel that the more well-to-do modern Chinese are gradually developing a similar taste, particularly for the processed type. Broadly speaking, however, the consumption of this product in China has so far been confined to the relatively insignificant foreign population living in the treaty ports.

### IMPORTS

Total imports of cheese into China in 1936 amounted to 220,455 pounds valued at 75,479 gold units (average value in 1936 of U.S.\$0.67). This compares with 387,842 pounds in 1935 and 371,298 pounds in 1934. Of these totals Canada is credited in 1936 with 15,728 pounds valued at 5,678 gold units, with 18,816 pounds in 1935 valued at 8,553 gold units (average value of gold unit U.S.\$0.68), and with 23,038 pounds in 1934 valued at 8,683 gold units (average value of gold unit U.S.\$0.66).

It is difficult to account for such a drastic decline in the total imports of 1936 in comparison with the previous year. The depreciation of the Chinese dollar toward the close of 1935 is regarded as the chief factor, discouraging the consumption of a "luxury" product in a market whose purchasing power had already been severely curtailed. Business conditions only commenced to show improvement towards the latter half of 1936. According to one authority, there is considerable smuggling of cheese into China from the free port of Hongkong, so that official import figures for 1936, in particular, do not give an accurate picture.

Australia is the leading supplier of this market, accounting last year for over 25 per cent of total imports. The Australian product consists of various types of processed and some cheddar cheese. Imports from Europe include special varieties of Continental cheese and processed cheese, particularly in the case of the Netherlands. New Zealand shipments, apart from processed, consist of cheddar cheese put up in varying sizes of blocks, principally required for the British forces stationed in China. Most of the Canadian and American cheeses sold here are of the processed types; one Canadian brand in particular has been well established in the Shanghai and Tientsin markets for several years.

In addition to the sources mentioned above, there is understood to be quite a sale of Manchurian loaf cheese, which is sold to a considerable extent among the Russian community in Shanghai and Tientsin at anywhere from 30 per cent to 40 per cent below the cost of other imported cheeses. As in the case of contraband cheese from Hongkong, a certain amount of Manchurian cheese may be entering this market without paying duty.

The domestic production of cheese is confined to limited quantities of so-called cottage and Holland round-type cheese, made in local dairies and usually retailed at even less than the Manchurian variety.

#### TYPES OF PROCESSED CHEESE IN DEMAND

As the special Continental cheeses are in a separate class, the chief interest to Canadian shippers lies in the demand for the processed varieties, which enjoy the largest sale. The most popular processed cheese is the full-creamed put up in 5-pound blocks, foil-wrapped, and packed in wooden boxes. There is a smaller sale for skimmed milk cheese; one brand from Holland containing approximately 30 per cent full-creamed meets with a fair sale. The chief Australian full-creamed processed cheese in 5-pound blocks has been quoted to the wholesale trade recently at prices ranging from Chinese \$6.40 to Chinese \$6.70 per box of 5 pounds (approximately \$1.92 to \$2.01 Canadian currency).

The standard type of processed cheese is also available in  $\frac{1}{2}$ -pound sizes. In addition there is, for a small market, a considerable outlet for the softer or "easy-spread" types of processed cheese. Some are put up in  $\frac{1}{2}$ -pound sizes, and a number are sold in the various-shaped smaller-sized portions, individually wrapped. One soft type of processed cheese retails at Chinese \$1.70 per  $\frac{1}{2}$ -pound package (approximately \$0.51 Canadian currency).

The most active demand for cheese is in the fall and winter months as, owing to climatic conditions, sales decline during the summer, particularly in Shanghai.

#### DUTIES

Cheese is dutiable at 0.44 gold units per kilogram, which is calculated to work out at from Chinese \$0.52 to Chinese \$0.53 per pound (approximately \$0.16 Canadian currency).

A recent inquiry has been received at this office from an established firm of foodstuffs importers, desiring c.i.f. Shanghai prices and samples of a fairly cheap grade of Canadian processed cheese put up in 5-pound sizes, packed in wooden boxes. Interested Canadian exporters, not already represented in this market, are accordingly invited to communicate with the Canadian Trade Commissioner at Shanghai.

### JAPANESE PRODUCTION AND TRADE IN LUMBER

P. V. McLANE, CANADIAN TRADE COMMISSIONER

(For purposes of comparison, the average rate of the yen in 1933 was 28 cents; in 1934, 29.575 cents; and in 1935, 29 cents Canadian funds.)

Kobe, June 25, 1937.—Official investigations concerning the area of forests, bamboo groves and wild lands are made every three years by the Ministry of Agriculture and Forestry. The last report was for the year 1933 when the occupied area was 58,404,957 acres, approximately 62 per cent of the total area of the country. Ownership of these lands was divided as follows: 3,492,296 acres (6 per cent) of crown lands, 18,914,296 acres (32 per cent) of national lands, 10,589,819 acres (18 per cent) of public lands, 356,345 acres (1 per cent) owned by temples and shrines, and 25,052,298 acres (43 per cent)



privately owned lands. Over 87 per cent of the total was forested lands, the balance being bare tracts.

According to the same authority, forested tracts consisted of 13,388,291 acres—of coniferous trees, Japanese cedar (*sugi*), Japanese cypress (*hinoki*), Japanese fir (*matsu*), *Larix Daharica* Tuiz; Japanese larch (*karamatsu*), Japanese swamp cypress (*hiba*), white fir (*momi*), *Abies Veitchii* Lindl (*shirabe*), *Picea hondoensis* Mayr (*tohi*), *Tsuga Sieboldii* (*tsuga*), *Pseudotsuga japonica* (*togasawara*), *Picea ajanensis* (*ezomatsu*), *Abies sachalinensis* (*todomatsu*); 22,444,043 acres of broad-leaved trees, camphor (*kusu*), oak (*kashi*), zelkova (*keyaki*), *Fraxinus Sieboldiana* (*shioji*), *Kalopanax ricinifolius* (*harikiri*), *Fraxinus manchurica* (*yachidamo*), chestnut (*kuri*), nara, Mongolia oak (*kashiwa*), *Quercus serrata* (*abemaki*), sawshaped oak (*kunugi*), paulownia (*kiri*), Judas tree (*katsura*)—13,473,451 acres of mixed trees, 366,420 acres of bamboo groves, and 1,150,300 acres of other types of trees.

Serious consideration is given to reforestation in Japan. The newly planted areas totalled 268,790 acres in 1935, consisting of 221,245 acres of coniferous trees and 47,545 acres of broad-leaved. There was a decrease of 7,099 acres from the previous year. Privately owned forest areas, which occupied 43 per cent of the total area, were responsible for 57.8 per cent of reforestation.

The wood and bamboo produced during 1935 was valued at 168,761,410 yen, an increase of 1,642,184 yen as compared with the value produced during the previous year. The output of timber, principally building material, was valued at 113,868,550 yen, fuel wood at 52,365,708 yen, and bamboo at 2,527,152 yen. In addition to these totals, there was an output of forestry by-products valued at 129,083,727 yen, made up of charcoal to the value of 90,814,783 yen, and the balance of grasses, barks, fruits, nuts, berries, and so forth. Timber in excess of 70 per cent of the total, and fuel wood in excess of 81 per cent come from privately owned forests.

### WOOD MANUFACTURES

Complete data are not available on the output of wood manufactures. Some impression can be obtained, however, from the following table, compiled from the Factory Returns of the Department of Commerce and Industry. Figures are available only to the end of 1935:—

	1935 Yen	1934 Yen	1933 Yen
Veneers . . . . .	12,024,756	10,070,898	7,308,306
Fittings (doors, etc., for Japanese houses) . .	4,429,886	3,709,926	3,753,512
Foreign furniture . . . . .	9,938,850	8,485,609	7,991,064
Japanese furniture . . . . .	4,385,000	3,831,258	2,946,584
Precious woodenware . . . . .	299,158	179,087	216,120
Packing cases . . . . .	34,363,162	32,043,083	25,714,424
Casks and barrels . . . . .	10,314,654	9,012,489	7,296,003
Woodpipes . . . . .	6,405,744	5,065,619	3,479,937
Wooden footwear . . . . .	5,837,529	4,037,908	3,459,846
Abacus . . . . .	15,500	36,816	24,470
Toys . . . . .	1,359,647	1,220,212	583,863
Other manufactures . . . . .	22,505,853	19,038,383	16,216,198

Increases are shown in most of these items, especially in the larger items such as packing cases, veneers, and casks and barrels. A number of other articles have a substantial total such as foreign furniture, woodpipes, wooden footwear, fittings, and toys.

### EXPORTS

Wood products, exclusive of bamboo, were exported to a value of 24,703,242 yen during 1936 as compared with 23,181,968 yen for the previous year. Bamboo was exported to the value of 895,479 yen in 1936 as against a total of 742,142 yen in 1935 and bamboo manufactures to the value of 1,410,450 yen and 1,088,275 yen respectively. The United States purchased approximately half the bamboo

manufactures, while a very wide distribution was found for the balance of these exports. Particulars covering the exports of wood products are given below for 1936 and 1935 according to value:—

### *Exports of Wood Products from Japan*

	1936 Yen	1935 Yen
Railway sleepers . . . . .	699,118	689,428
Veneers . . . . .	5,965,126	4,397,206
Shooks for wood boxes—		
Veneer . . . . .	1,604,132	1,302,391
Pine . . . . .	291,432	1,073,471
Other . . . . .	2,808,261	2,503,248
Shooks for wood casks . . . . .	168,119	132,816
Match sticks . . . . .	377,212	87,910
Wood shavings for match boxes . . . . .	272,834	282,284
Sawn (nara) . . . . .	7,076,809	5,740,011
Sawn (other broad-leaved trees) . . . . .	977,270	875,312
Sawn (cedar) . . . . .	207,550	269,533
Sawn (matsu) . . . . .	630,359	467,284
Sawn (other conifers) . . . . .	254,249	158,274
Logs and cants—		
Nara . . . . .	173,379	220,329
Other broad-leaved . . . . .	358,069	345,634
Shina . . . . .	690,501	699,920
Sugi . . . . .	1,412,419	2,528,057
Fir . . . . .	345,296	444,541
Larch . . . . .	24	42,671
Other conifers . . . . .	391,083	911,571
Charcoal . . . . .	54,621	25,587

### EXPORT DESTINATIONS

The destinations of most of these various wood products are exceedingly diverse. Only the principal buyers are noted below:—

*Railway Sleepers.*—Manchukuo, Kwantung Province.

*Veneer.*—Great Britain, Kwantung Province, China, South Africa, Belgo-Luxemburg Economic Union, Australia.

*Shooks for Wood Boxes (of Veneer).*—Dutch East Indies, Straits Settlements, India, Ceylon, French Indo-China.

*Shooks for Wood Boxes (of Pine).*—Asiatic Russia, India, Kwantung Province.

*Shooks for Wood Boxes (Other).*—Ceylon, India, South Africa, Kenya, Uganda, Tanganyika, Straits Settlements.

*Shooks for Wood Casks.*—Kwantung Province, Manchukuo.

*Match Sticks.*—China, Hongkong, Kwantung Province.

*Wood Shavings for Match Boxes.*—China, Manchukuo.

*Sawn Wood (Nara).*—Dutch East Indies, United States, Holland, Belgium, South Africa, New Zealand.

*Sawn Wood (Other Broad-leaved).*—Kwantung Province, China, India, United States.

*Sawn Wood (Cedar).*—Kwantung Province.

*Sawn Wood (Fir).*—Kwantung Province, Asiatic Russia.

*Sawn Wood (Other Coniferous).*—India, Kwantung Province, Mexico.

*Logs and Cants (Nara).*—Holland, Germany.

*Logs and Cants (Other Broad-leaved).*—Kwantung Province, India, China.

*Logs and Cants (Cedar).*—Kwantung Province, Manchukuo, China.

*Logs and Cants (Picea ajanensis).*—China, Kwantung Province.

*Logs and Cants (Larch).*—China.

*Logs and Cants (Other Coniferous).*—Kwantung Province, China.

*Charcoal.*—Kwantung Province.

### IMPORTS

Wood products were imported to the value of 55,547,989 yen in 1936 as compared with totals of 49,775,176 yen in 1935 and 40,183,059 yen in 1934. Higher prices were in part responsible for the larger returns. Below are given the sources of supply for the last three years:—



	1936 Yen	1935 Yen	1934 Yen
Manchukuo . . . . .	297,850	188,671	137,470
Kwantung Province . . . . .	14,379	19,666	34,225
China . . . . .	677,047	91,848	66,333
British Borneo . . . . .	4,305,574	2,541,686	1,374,535
Dutch India . . . . .	2,011,837	2,120,063	2,152,138
Asiatic Russia . . . . .	106,504	1,410,459	624,354
Philippine Islands . . . . .	7,329,816	5,095,298	4,300,830
Siam . . . . .	1,773,411	1,624,169	1,012,735
United States . . . . .	32,184,398	28,226,878	20,966,682
Canada . . . . .	6,217,311	8,258,295	9,469,758
Other . . . . .	629,862	198,143	43,999

The United States and Canada were the largest contributors. The United States has improved her position during each of the successive years under review. Receipts during November and December, 1936, particularly during December, were severely curtailed owing to the Pacific Coast shipping strike. The Dominion, on the other hand, has done less business each year. Canada's business was handicapped during 1935 by trade restrictions, which were in force for the latter half of the year. While there were no handicaps to the trade last year, it did not return to normal. The chief reason was the better prices offered for Canadian wood products in other markets.

Japan's trade according to kinds of woods is given below for the years 1936, 1935, and 1934:—

#### *Wood Imports into Japan*

	1936 Yen	1935 Yen	1934 Yen
Ebony with white streak . . . . .	768,866	636,026	659,699
Other ebony . . . . .	311,770	331,129	292,332
Teak . . . . .	1,533,983	1,347,016	758,292
Cedar for pencils . . . . .	328,955	364,237	336,720
Other cedar, pine, fir, etc. . . . .	37,315,840	36,764,061	30,126,780
Paulownia . . . . .	662,709	83,141	66,024
Aspen . . . . .	808,937	304,011	277,836
Other . . . . .	13,816,929	9,945,555	7,665,376

#### SOURCES OF IMPORTATIONS

Cedar, fir, pine, etc., are in the greatest demand and comprise the bulk of the imports. They originate principally in the United States and Canada. The other items and principal sources are indicated below:—

*Ebony with White Streaks.*—Dutch East Indies.

*Other Ebony Wood.*—Siam, British India.

*Teak.*—Siam, British India, French Indo-China.

*Paulownia.*—China.

*Aspen.*—United States, Canada.

*Other Wood (Hardwoods, etc.).*—Philippine Islands, British Borneo, Dutch East Indies.

#### IMPORTS OF CANADIAN AND UNITED STATES WOODS

Figures quoted above show Japan as dependent on Canada and the United States for the greater part of her foreign supplies of lumber. The principal species are Douglas fir, hemlock, red cedar, Port Orford cedar, spruce, noble fir, larch, white fir, poplar, and cottonwood. Japanese requirements are exacting, particularly in cut wood such as squares, and mills catering to this market have residual products to dispose of in other markets. The United States with a larger industry and larger general market for lumber products is in a better position to cater to this market than Canada. This explains in part the dominant position held by that country in the trade.

No figures are available showing the exact quantities of each of the above-named species originating in the Dominion and in the United States. Listings in the trade returns given above are far from adequate to show the features of the trade in detail. Figures secured from lumber trade associations, on the other hand, give data as to the quantity of each species imported through the four leading ports of Kobe, Osaka, Nagoya, and Yokohama. These four ports handle practically all the lumber originating in Canada and the United States. Supplies from Canada and the United States are grouped, but the information makes possible a fairly accurate review of the Japanese lumber situation as affecting Canada.

PRINCIPAL LUMBER PORTS

Data on the importation of logs and lumber as compiled by the lumber associations are usually according to the port of entry. Details of the trade in Canadian and American logs and lumber of all kinds through these four ports are set forth in the following table:—

	1934		1935		1936	
	Ft. B.M.	Per Cent	Ft. B.M.	Per Cent	Ft. B.M.	Per Cent
Osaka . . . . .	257,106,765	54.4	273,456,866	54.8	305,313,352	56.4
Yokohama . . . . .	141,714,504	30.0	149,213,031	29.9	171,953,866	31.8
Nagoya . . . . .	57,726,981	12.3	63,021,045	12.6	47,135,400	8.7
Kobe . . . . .	15,775,217	3.3	13,473,113	2.7	16,496,465	3.1
Total . . . . .	472,323,467		499,164,055		540,899,093	

The increases have been fairly uniformly absorbed by each port. Osaka, which consumed over 56 per cent of the total, has been a gradually expanding market for the last few years. Yokohama for some years following the earthquake of 1923 was a very large buyer of Pacific Coast logs and lumber. During the last four or five years imports have varied only within narrow limits. Nagoya has not varied to any great extent in recent years. Purchases for Kobe have shown a declining tendency and are only half the total of ten years ago.

IMPORTS BY PRINCIPAL SPECIES

Details follow on the different species according to the principal forms in which they are purchased. The districts which are catered to by the four main lumber ports have varying requirements both as to species and as to specifications.

Douglas Fir

The total imports of Douglas fir into the four main ports of Japan during the last three years were as follows:—

	1934	1935	1936
	Figures in 1,000	Feet	Board Measure
Large and medium squares . . . . .	194,370	200,350	186,542
Baby squares . . . . .	2,302	1,441	713
Flitches . . . . .	13,141	8,809	11,847
Logs . . . . .	82,141	96,833	121,448
Floorings . . . . .	1,230	814	174
Pilings . . . . .	26,232	20,747	25,648
Poles and boards . . . . .	188	127	109

The United States secured the greater share of this trade; but the Dominion, owing to the superior quality of its product, is able to secure a premium on this type of wood. It is evident from the above table that large and medium squares and logs are in greatest demand, and these are showing a gradual expansion. Purchases of pilings and flitches, which are relatively small, have remained stationary. Baby squares, floorings, and poles and boards imports have fallen off.

Douglas fir is a strong wood, and because of its large growth is much in demand for engineering and construction purposes. The smaller specifications



are used as pillars and beams in Japanese houses. Ceilings, panels, and flooring of fir are also used in the construction of houses.

In 1936 Osaka purchased 51·4 per cent of the large and medium squares, followed by Yokohama with 31·8 per cent, and Nagoya with 16·7 per cent. Receipts in Kobe were negligible. On the other hand, Yokohama bought 65·3 per cent of the small squares, with Osaka taking the balance. Yokohama also took the lead in fitches, being credited with 46·8 per cent; Osaka received 30·6 per cent, Kobe 15·1 per cent, and Nagoya 7·5 per cent. Over 62 per cent of the logs were for the Osaka market, 30 per cent for Yokohama, 6·4 per cent for Nagoya, and 1·5 per cent for Kobe. Osaka was the main buyer of Douglas fir piling, taking 89·7 per cent of the total imports. Yokohama took 5·2 per cent and Nagoya and Kobe the remainder. Osaka purchased all the boards and flooring; Yokohama all the poles.

### *Hemlock*

Details of Japan's purchases of Pacific Coast hemlock are given below:—

	1934	1935	1936
	Figures in 1,000 Feet Board Measure		
Large and medium squares . . . . .	2,363	174	224
Baby squares . . . . .	7,489	6,781	4,913
Logs . . . . .	49,219	73,618	94,498
Pilings . . . . .	.....	11	.....
Fitches . . . . .	192	169	272
Small sawn lumber . . . . .	.....	.....	1,175

Logs predominate and show a steady expansion. Other items are relatively small and show a declining tendency. Canada secures a fair share of this business, usually in the smaller-size logs. These naturally fetch a lower price than American hemlock, which comes in larger sizes and better quality.

Hemlock, which can be used as a substitute for Japanese pine, is increasing in favour as a material for use in house construction such as interior finishings, windows, doors, and pillars. It is not as strong as Douglas fir; therefore little hemlock is used for heavy construction work.

Nagoya purchased 66·2 per cent of the large and medium hemlock squares in 1936; Osaka took the remainder. Osaka bought 49 per cent of the small squares, Kobe 28 per cent, Yokohama 18 per cent, and Nagoya 5 per cent. Kobe was the largest buyer of fitches with 76·7 per cent, Osaka took 13 per cent and Yokohama the remainder. Over 91 per cent of the scantlings is credited to Yokohama, the remainder to Kobe. Osaka purchased 55 per cent of the hemlock logs, Yokohama 42 per cent, and Nagoya 3 per cent.

### *Red Cedar*

Red cedar is the next most important of the species bought from the North American coast. Details are as follows:—

	1934	1935	1936
	Figures in 1,000 Feet Board Measure		
Logs . . . . .	35,953	27,442	20,303
Cants . . . . .	8,495	4,342	4,456
Fitches . . . . .	156	.....	743

Purchases, which show a decreasing tendency, are mostly in the form of logs. Logs are sawn chiefly into shingles and panels; cants are made into panels. Panels are used principally for ceilings in Japanese houses. Those of light colour are preferred. Canadian cedar is usually too reddish to find favour in the market and sales are small.

Osaka bought over 75 per cent of the red cedar logs and Yokohama 20·3 per cent. Cants were purchased only by Osaka (73·5 per cent) and Yokohama (26·5 per cent). In 1936 all the scantlings were consigned to Osaka.





*Poplar*

Imports, which were formerly relatively unimportant, showed an expansion from 637,000 feet b.m. in 1934 and 412,000 feet b.m. in 1935, to a total of 3,012,000 feet in 1936. Poplar is principally used for making match sticks. The market is divided between Kobe and Osaka.

*Cottonwood*

Consignments of cottonwood logs totalled 5,507,000 feet b.m. in 1934, 5,117,000 feet in 1935, and rose to 14,373,000 feet in 1936. The United States is practically the sole source of supply; the logs are made principally into match sticks. Kobe, the centre of the match industry, took 72 per cent of the cottonwood logs, and Osaka the remainder.

## LOGS AND LARGE SQUARES IN GREATEST DEMAND

It is apparent from the foregoing that logs and large squares are in the greatest demand in this market. Available data show that 96 per cent of the imports were made up of these two categories in 1936; small squares and lumber were only 4 per cent of the total. Over the last few years the tendency has been for the proportion of logs to increase at the expense of both large squares and smaller squares and lumber. Logs and cants, which made up 42 per cent of the total wood imports from America in 1929, rose gradually until they amounted to 59 per cent last year. Large squares in the meantime fluctuated between 37 per cent in 1929 to 43 per cent in 1934 and fell to 40 per cent in 1935 and 37 per cent in 1936. Small squares and lumber made up 21 per cent of the trade in 1929 but fell rapidly to 4 per cent for 1935 and 1936. Details for the last three years were as follows:—

	1934		1935		1936	
	Cu. Metres	Per Cent	Cu. Metres	Per Cent	Cu. Metres	Per Cent
Logs and cants. . . . .	588,273	52	764,140	56	791,004	59
Large squares. . . . .	480,433	43	536,685	40	495,642	37
Small squares and lumber	60,849	5	51,135	4	53,470	4

This change is welcomed in this country owing to the additional profitable labour used to fabricate the logs, which is not necessary when squares and lumber are imported. The import tariff was designed to assist in bringing about this result. Generally speaking, the duties on wood products are higher on the smaller sizes of lumber and squares than on large squares. Logs carry no duty or the lowest duties applicable to each species.

## SPECIFICATIONS

The requirements of the Japanese market for lumber and logs differ in many respects from those of other markets. The specifications covering the more important species and types of material will be found below:—

*Logs.*—Douglas fir logs are generally required with a diameter of 12 inches and up. Osaka takes chiefly logs 13 feet, 20 feet, and 26 feet and up in length; Tokyo, 11 feet, 20 feet, and 24 feet and up. Hemlock logs are required in practically the same sizes. Red cedar logs are 6 inches and up in diameter and in lengths of 6 feet, 7 feet, 12 feet, 13 feet, and 14 feet and up. Port Orford cedar calls for a diameter of 18 inches and up and 6½ feet and up in length. Logs of smaller dimensions and random lengths are also sold from time to time.

*Large and Medium Squares.*—These are sometimes called Japanese squares as they are chiefly shipped to Japan. Specifications, which are the same for all species, call for a 12-inch by 12-inch square up to 24 inches by 24 inches, and

a length of 20 feet and up to 40 feet. Diameters increase by units of 2 inches and lengths by 2 feet.

*Baby Squares.*—Special Japanese specifications of 3 inches by 3 inches up to 5 inches by 5 inches (increases by  $\frac{1}{2}$  inch) and having a length of 10, 13 or 20 feet. The Tokyo market commonly specifies 4-inch by 4-inch squares and the Korean  $4\frac{1}{2}$ -inch by  $4\frac{1}{2}$ -inch squares.

*Flitches.*—Specifications vary according to grades and uses. Those for merchantable grade are 4 inches,  $4\frac{1}{2}$  inches,  $5\frac{1}{4}$  inches and 6 inches thick,  $8\frac{1}{2}$  inches,  $9\frac{1}{2}$  inches, 10 inches and 12 inches wide, and 18 feet and up. Clear grade specify 3 inches up to 10 inches thick (increases by  $\frac{1}{2}$  inch), 10 inches up to 24 inches wide (increases by 1 inch), and 20 to 40 feet long (increases by 2 feet).

*Bolts and Cants.*—These are logs which have been split in two, four or six pieces according to knots or other defects. Lengths are usually specified at 6 feet,  $6\frac{1}{2}$  feet, and 7 feet.

*Floorings.*—Approximately 1 inch to  $2\frac{3}{4}$  inches thick by 4 inches and wider and from 8 to 32 feet long, with 12 feet the most commonly specified length.

#### PRESENT CONDITIONS

Imports of lumber and logs from Canada and the United States for the first four months of 1935, 1936, and 1937 according to value are given below:—

	1935 Yen	1936 Yen	1937 Yen
United States . . . . .	9,776,817	10,447,234	3,528,397
Canada . . . . .	4,474,524	773,765	3,979,270

Figures for 1935 were fairly normal. In 1936, however, Canada's share of the business was limited owing to the embargo which had prevailed for the last six months of 1935. The above figures show arrivals in March and April, ordered after the removal of the embargo in January. United States' trade was fairly normal for these periods of both 1935 and 1936. Receipts in 1937 are far below normal owing to cessation of business during the shipping strike on the Pacific coast, which was in force from October 29 to February 4. During the first four months, therefore, shipments were coming in only during late February, March, and April.

With the United States out of the market during the latter part of 1936 and the early part of 1937, Canada had the field practically to herself. In spite of this, however, receipts of Canadian lumber were below normal. Sales of Canadian logs and lumber in other markets were so brisk that mills were not interested in the Japanese market until prices were increased to the same levels as they were in these other markets.

Considerable quantities of logs and lumber from the Dominion have been sold at good prices, delivery of which will take place in May and June. At the time of writing the whole lumber market is over-stocked, freight rates are high, and credits, under the Finance Department Ordinance No. 1 of 1937, difficult to secure. The possibility of more stringent control of credits and imports generally is having a depressing effect on the lumber market at present. Lumber importers' associations throughout Japan are endeavouring to reach an agreement with their members to refrain from buying for the next two or three months. Excessive stocks could then be liquidated in part and a healthier market condition engendered.



## AIR MAIL FACILITIES FROM CANADA TO THE MIDDLE EAST

In *Commercial Intelligence Journal* No. 1743 (June 26, 1937), a table was published showing the saving of time that can be effected by the use of air mail facilities in comparison with non-air routing to India, South Africa, Panama, Brazil, and Argentina. The subjoined table has been prepared covering mail from four Canadian centres—Vancouver, Winnipeg, Montreal, and Toronto—to Singapore, Straits Settlements, and Batavia, Java:—

*Vancouver to Singapore, Straits Settlements.*—Air, 16 days; non-air, 35 days.

*Winnipeg to Singapore, Straits Settlements.*—Air, 15½ days; non-air, 31½ days.

*Montreal to Singapore, Straits Settlements.*—Air, 16 days; non-air, 30 days.

*Vancouver to Batavia, Java.*—Air, 17 days; non-air, 35 to 40 days.

*Winnipeg to Batavia, Java.*—Air, 16½ days; non-air, 31½ to 36½ days.

*Montreal to Batavia, Java.*—Air, 17 days; non-air, 30 to 35 days.

*Toronto to Singapore, Straits Settlements, and Batavia, Java.*—For time of transmission from Toronto, half-day should be added to elapsed time from Montreal.

## TARIFF CHANGES AND CUSTOMS REGULATIONS

### United Kingdom

#### IMPERIAL PREFERENCE: OILS AND FATS OBTAINED FROM ANIMALS OR FISH

The Chief Canadian Trade Commissioner writes that the British Customs have notified United Kingdom importers that a change will be made in the requirements with regard to the evidence of origin necessary to establish claims to Imperial Preference on oils and fats obtained from:—

Animals, including marine animals, e.g., oleo oil, stearin, tallow, suet, dripping, premier jus, neatfoot oil and seal oil, but not including butter and cheese for which the appropriate Certificate of Origin is Form No. 120 (Sale).

Fish, e.g., herring oil, dogfish oil, and liver oils.

On and after January 1, 1938, certificates of origin in respect of the above goods for which Imperial Preference is claimed upon entry into the United Kingdom must be on form No. 119 (Sale).

When this requirement becomes operative, admission to preference will be dependent on the goods having been produced in the Empire wholly from Empire materials. In the case of oils and fats from fish or other marine animals, the certificates of origin should be supported by statements that the goods have been produced from fish or other marine animals, caught in Empire waters or by vessels owned and registered in the Empire. In the case of other animal oils and fats, evidence of production from animals bred in the Empire similar to the evidence required in respect of lard may be required to be produced.

### Australia

#### DEFERRED DUTIES

The deferred rates of duty under Item 136F2 of the Australian customs tariff, on hoop iron not elsewhere specified, that were to have gone into effect on July 1, 1937, were further postponed until January 1, 1938. Under the item as at present effective, the goods are free of duty under the British preferential tariff, and dutiable at 15 per cent ad valorem under the general tariff. The deferred rates are 10 per cent ad valorem under the British preferential, and 22½ per cent ad valorem plus 70s. per 2,240 pounds under the general tariff, with provision for additional duties under both tariffs as present Australian exchange depreciation may be lessened.

Deferred duties under Item 186—screw hooks, eyes, and rings—have also been further postponed from July 1, 1937, to January 1, 1938. At present these commodities are free of duty under the British preferential tariff and pay 15

per cent ad valorem under the general tariff. The deferred rates are: free under the British preferential tariff, and 26½ per cent under the general tariff, with additional duty under both tariffs as Australian exchange depreciation is lessened.

The British preferential tariff rates under both items apply to Canadian goods; all countries outside the British Empire are under the general tariff.

### New Zealand

#### CUSTOMS DECISIONS

Recent decisions of the New Zealand Customs as to the classification of articles regarding which question had been raised include the following:—

Steam cranes, locomotive type, having a rated lifting capacity of 10 tons and upwards, including vertical boilers imported therewith, are free of duty under the British preferential tariff and dutiable at 25 per cent ad val. under the general tariff, with a rate of 20 per cent ad val. to "most-favoured" countries. (Item 352.)

Bolts and nuts imported in sets with galvanized straps or shackles for shackle insulators and being standard equipment for use with such straps or shackles are under Item 352 (see rates above).

Automatic electric re-winding machines for re-winding cinema films are also under Item 352 (rates as above), but the electric motor and control switch are separately classified. Hand-operated re-winders for cinema film are dutiable at 20 per cent ad val. under the British preferential tariff, and at 45 per cent ad val. under the general tariff. (Item 356-1.)

Boiler tube scrapers, being hand tools used to scrape scale and dirt from the interior of boiler-tubes, are free of duty under the British preferential tariff and 25 per cent ad val. under the general tariff. (Item 354.)

The British preferential tariff applies to Canada under all the above items, and the general tariff to countries outside the British Empire.

### Southern Rhodesia

#### NEW LEAFLET ON DOCUMENTATION

A mimeographed leaflet giving the text of the form of invoice and combined certificate of value and of origin prescribed by Southern Rhodesia has just been issued by the Department of Trade and Commerce, Ottawa. Interested Canadian exporters may obtain a copy on application to the Department at Ottawa.

### Sweden

#### FLOUR-MILLING REGULATIONS

With reference to the report in *Commercial Intelligence Journal* No. 1770 (June 5, 1937), page 1033, Mr. Richard Grew, Canadian Trade Commissioner at Oslo, advises that, in accordance with a Swedish royal resolution of June 30, the percentages of Swedish wheat which must be mixed with the imported product during the milling period July 1 to August 31, 1937, have been increased to 90 in the case of the total milling percentage (previously 80), and will remain unchanged at 80 in the case of the so-called minimum percentage permitted for the individual lots milled.

### Mexico

#### NEW DOCUMENTATION REQUIREMENTS

Mr. S. G. MacDonald, Acting Trade Commissioner at Mexico City, reports under date July 9, 1937, that the Government of Mexico now requires nine copies of the commercial invoice covering shipments instead of eight as heretofore (see *Commercial Intelligence Journal* No. 1706 of October 10, 1936, page 705). These invoices are required in order that the Mexican Consul at the point of shipment may note the amount of the advance consular deposit of 5 per cent of the net value of the goods thereon. The original and four copies of the commercial invoices are retained by the shipper after certification and the balance remain in the hands of the Mexican Consul. (See *Commercial Intelligence Journal* No. 1696 of August 1, 1936, page 240.)



## FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING JULY 26, 1937

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, July 26, and for the week ending Monday, July 19, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending July 19	Nominal Quotations in Montreal Week ending July 26	Official Bank Rate
Austria . . . . .	Schilling	.1407	\$ .1880	\$ .1881	3½
Belgium . . . . .	Belga	.1001	.1686	.1684	2
Bulgaria . . . . .	Lev	.0072	.0129	.0129	6
Czechoslovakia . . . . .	Krone	.0296	.0350	.0349	3
Denmark . . . . .	Krone	.2680	.2224	.2223	4
Finland . . . . .	Markka	.0252	.0219	.0220	4
France . . . . .	Franc	.0392	.0378	.0374	5
Germany . . . . .	Reichsmark	.2382	.4030	.4025	4
Great Britain . . . . .	Pound	4.8666	4.9825	4.9787	2
Greece . . . . .	Drachma	.0130	.0090	.0091	6
Holland . . . . .	Guilder	.4020	.5519	.5522	2
*Hungary . . . . .	Pengo	.1749	.2961	.2955	4
Italy . . . . .	Lira	.0526	.0527	.0526	4½
Jugo-Slavia . . . . .	Dinar	.0176	.0232	.0231	5
Norway . . . . .	Krone	.2680	.2495	.2501	4
Poland . . . . .	Zloty	.1122	.1894	.1890	5
Portugal . . . . .	Escudo	.0442	.0451	.0450	4½
Roumania . . . . .	Leu	.0060	.0073	.0073	4½
Spain . . . . .	Peseta	.1930	.....	.....	5
Sweden . . . . .	Krona	.2680	.2569	.2566	2½
Switzerland . . . . .	Franc	.1930	.2295	.2297	1½
United States . . . . .	Dollar	1.0000	1.0018	1.0000	1½
Mexico . . . . .	Peso	.4985	.2780	.2775	4-5
Cuba . . . . .	Peso	1.0000	1.0011	.9992	—
Guadeloupe . . . . .	Franc	.0392	.0378	.0374	—
Jamaica . . . . .	Pound	4.8666	4.9925	4.9887	—
Martinique . . . . .	Franc	.0392	.0378	.0374	—
Other British West Indies	Dollar	1.0138	1.0381	1.0372	—
Argentina . . . . .	Peso (Paper)	.4245	.3321	.3318	3½
		Unofficial	.3016	.3010	—
Brazil . . . . .	Milreis (Paper)	.1196	.0666	.0667	—
British Guiana . . . . .	Dollar	1.0138	1.0381	1.0372	—
Chile . . . . .	Peso	.1217	.0518	.0517	4½
		Unofficial	.0418	.0417	—
Colombia . . . . .	Peso	.9733	.5710	.5699	4
Peru . . . . .	Sol	.2800	.2505	.2600	6
Venezuela . . . . .	Bolivar	.1930	.3143	.3137	—
Uruguay . . . . .	Peso	1.0342	.7953	.7937	—
South Africa . . . . .	Pound	4.8666	4.9762	4.9725	3½
Egypt . . . . .	Pound (100 Piastres)	4.9431	5.1100	5.1000	—
China (Shanghai) . . . . .	Dollar	.....	.2946	.2944	—
Hongkong . . . . .	Dollar	.....	.3038	.3041	—
India . . . . .	Rupee	.3650	.3759	.3758	3
Japan . . . . .	Yen	.4985	.2896	.2896	3.29
Java . . . . .	Guilder	.4020	.5525	.5529	—
Siam . . . . .	Baht (Tical)	.4424	.4565	.4563	—
Straits Settlements . . . . .	Dollar	.5672	.5842	.5839	—
Australia . . . . .	Pound	4.8666	3.9862	3.9825	3
New Zealand . . . . .	Pound	4.8666	4.0187	4.0150	2
		* Unofficial:	.1981	.....	—

The Dominion Bureau of Statistics has supplied the following note:—

The French franc continued to move downward, and in early trading on the 22nd touched a new low since devaluation of 3·71½ cents in the New York market but recovered 2½ points later in the day. Further recessions occurred during the next two days, but following support by the French Equalization fund the decline was checked. Ninety-day rates widened from 14 points on the 21st to 18½ on the 23rd and then narrowed to 17 points on the following day. It was intimated that shipments of gold had been made from the United States to England and Holland as a result of the continued weakness of dollar rates against sterling and the guilder. The French franc at Montreal had fallen from 3·76 cents on July 21 to 3·73 cents by the 24th, but moved up to 3·74 cents on the 26th. The pound sterling ranged between \$4.99 and \$4.97 throughout the period. Premiums on the United States dollar were reduced from 0·16 of 1 per cent on the 21st to 0·06 of 1 per cent on the 23rd, and by the 26th the dollar was quoted at par.

## TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

### Secretary, Board of Trade—

Saint John, N.B.  
Halifax, N.S.  
Quebec, P.Q.  
Montreal, P.Q.  
Toronto, Ont.

Chatham, Ont.  
Kitchener, Ont.  
Stratford, Ont.  
Woodstock, Ont.  
St. Mary's, Ont.

Portage la Prairie, Man.  
St. Boniface, Man.  
Winnipeg, Man.  
Vancouver, B.C.  
New Westminster, B.C.

### Secretary, Chamber of Commerce—

Sherbrooke, P.Q.  
Kingston, Ont.  
Oshawa, Ont.

Belleville, Ont.  
Peterborough, Ont.  
London, Ont.

Hamilton, Ont.  
Victoria, B.C.  
Prince Rupert, B.C.

Border Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

### Secretary, Canadian Manufacturers Association—

Toronto, Ont.  
Montreal, P.Q.

Winnipeg, Man.  
Edmonton, Alta.

Vancouver, B.C.  
Victoria, B.C.

The Maritime Provinces Trade Commissioner, 122 Federal Building, Toronto, Ont.

The Bureau of Provincial Information. Victoria, B.C.

**Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.**

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Foodstuffs—</b>			
Codfish.....	502	Rio de Janeiro, Brazil.....	Agency.
<b>Miscellaneous—</b>			
Bran.....	503	Port of Spain, Trinidad....	Agency.
Tankage, Tallow, Grease and Cracklings.	504	New York City, U.S.A....	Agency.
Cheap Gauntlet Gloves made from Splits.	505	Liverpool, England.....	Purchase and Agency.
Ladies' Gloves in Leather, Silk and Fabric.	506	Wellington, New Zealand..	Agency.
Ladies' Tennis Socks (Cotton, Artificial Silk and Mixtures).	507	Wellington, New Zealand..	Agency.
Artificial Silk Piece-goods.....	508	Melbourne, Australia.....	Agency.
Voile.....	509	Melbourne, Australia.....	Agency.
Dress Goods.....	510	Melbourne, Australia.....	Agency.
Fancy Goods.....	511	Melbourne, Australia.....	Sole Buying Agency.
Leather Scrap (for Top-piecing)..	512	Leicester, England.....	Purchase.
Leather Top Pieces (for Heels)..	513	Leicester, England.....	Purchase.
Rubber Heels and Soles.....	514	Auckland, New Zealand....	Agency.
Hot Water Bags.....	515	Melbourne, Australia.....	Agency.
Rubber Goods such as Rubber Aprons, etc.	516	Melbourne, Australia.....	Agency.



TRADE INQUIRIES—*Concluded*

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Miscellaneous—Continued</b>			
Dolls.....	517	Melbourne, Australia.....	Sole Buying Agency.
Toys.....	518	Melbourne, Australia.....	Sole Buying Agency.
Cheap and Coloured Wood Toys	519	Melbourne, Australia.....	Agency.
Toy Sets, such as Knock-down	520	Melbourne, Australia.....	Agency.
Model Ships.			
Toy Trains.....	521	Melbourne, Australia.....	Agency.
Automotive Parts and Acces-	522	Melbourne, Australia.....	Agency.
sories.			
Motor Parts and Accessories....	523	Melbourne, Australia.....	Agency.
Air Conditioning Units.....	524	Wellington, New Zealand..	Agency.
Steel Tubes (for South Africa)..	525	Birmingham, England.....	Purchase or Agency.
Galvanized Steel Sheets (Corru-	526	Birmingham, England.....	Purchase or Agency.
gated and Flat) (for South			
Africa)			

## CERTIFICATES OF ORIGIN FOR BRITISH PREFERENCES

Canadian exporters are reminded of the importance of supplying correct certificates of origin for goods entitled to preferential tariff treatment in Empire countries. The regulations to be observed vary enough to preclude use of uniform documentation for the different British markets. As regards the principal market, the United Kingdom, goods regarded as growth or produce require 100 per cent Empire content; optical goods and parts require 75 per cent; a selected list of manufactured goods (see F.T.D. Leaflet No. 95) require 50 per cent; for other manufactured goods 25 per cent Empire content suffices. A small number of ingredients must qualify independently for preference. Each "article" is subject to the preference test separately, so that when machinery, etc., is shipped to the United Kingdom knocked-down each separate assembly or part must qualify in itself to be entitled to preference. Notice 27A of the London Custom House, issued in December, 1936, prescribes appropriate forms as follows: D, 119 (Sale), for growth or produce; E, 120 (Sale), for manufactured goods; F, 121 (Sale), for manufactured tobaccos and sugars; FF, 122 (Sale), a supporting certificate for ingredients.

## PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

## From Montreal

*To Liverpool.*—Duchess of Richmond, Aug. 6; Duchess of York, Aug. 11; Montrose, Aug. 17; Duchess of Bedford, Aug. 22; Duchess of Atholl, Aug. 27—all Canadian Pacific; Andania, Aug. 13; Antonia, Aug. 27—both Cunard-White Star Line; a steamer, Fjell Line, Aug. 9.

*To London.*—Beaverhill, Aug. 6; Beaverford, Aug. 13; Beaverdale, Aug. 20; Beaverbrae, Aug. 27—all Canadian Pacific; Aurania, Aug. 6; Alaunia, Aug. 13; Ausonia, Aug. 20; Ascania, Aug. 27—all Cunard-White Star Line.

*To London, Antwerp and Rotterdam.*—Harpefjell, Fjell Line, Aug. 4.

*To Manchester.*—Manchester Division, Aug. 5; Manchester Citizen, Aug. 12; Manchester Regiment, Aug. 19; Manchester Commerce, Aug. 26—all Manchester Line; a steamer, Fjell Line, Aug. 9.

*To Southampton.*—Duchess of Richmond, Canadian Pacific, Aug. 25.

*To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—Dakotian, Aug. 5; Norwegian, Aug. 21—both Cunard-Donaldson and Dominion Lines; Bristol City, Aug. 14; Boston City, Aug. 30—both Bristol City and Dominion Lines.

*To Glasgow.*—Letitia, Aug. 6; Sulairia, Aug. 13; Athenia, Aug. 20; Delilian, Aug. 27—all Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Cairnmona, Aug. 4; Cairnross (calls at Dundee), Aug. 18; Cairnvalona, Aug. 25—all Cairn-Thompson Line.

*To Aberdeen and Hull.*—Kyno, Ellerman's Wilson Line, Aug. 14.

*To Dublin and Belfast.*—Kenbane Head (does not call at Belfast), Aug. 5; Dunaff Head, Aug. 12; Melmore Head, Aug. 24—all Head Line (cargo accepted for Cork).

*To Antwerp and Havre.*—Beaverhill, Aug. 6; Beaverford, Aug. 13; Beaverdale, Aug. 20—all Canadian Pacific (do not call at Havre); August, Aug. 15; Brant County, Aug. 25—both County Line.

*To Rotterdam.*—Flint II, Aug. 8; Grey County, Aug. 18—both County Line.

*To Hamburg and Bremen.*—Frankfurt, North German Lloyd Line, Aug. 20; Beaverbrae (does not call at Bremen), Canadian Pacific, Aug. 27.

*To Copenhagen, Gothenburg and Baltic Ports.*—Ragnhildsholm, Swedish-America-Mexico Line, Aug. 25.

*To Norwegian Ports.*—A steamer, Fjell Line, Aug. 9.

*To Marseilles, Genoa, Naples, Messina, Palermo, Lisbon and Leghorn.*—Capo Lena, Aug. 13; Capo Olmo, Aug. 31—both Capo Line.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Eikhaug (does not call at St. Pierre), Aug. 2; Magnhild, Aug. 7; Lillehorn (does not call at St. Pierre), Aug. 13—all Shaw SS. Co.; Belle Isle, Newfoundland-Canada SS. Co., Aug. 13.

*To Corner Brook, Nfld.*—New Northland, Aug. 2 and 16; North Voyageur, Aug. 8 and 22—both Clarke SS. Co.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Cornwallis, Aug. 5; Colborne, Aug. 19—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Hamilton (Bermuda), Nassau (Bahamas), Kingston (Jamaica) and Belize (British Honduras).*—Lady Rodney, Aug. 4; Cavalier (does not call at Hamilton or Nassau), Aug. 13; Lady Somers, Aug. 18; Cathcart (does not call at Hamilton or Nassau), Aug. 27—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer, Ocean Dominion SS. Corp., Aug. 13.

*To Brisbane, Sydney and Melbourne.*—City of Canberra, Montreal-Australia-New Zealand Line, Aug. 28 (calls at Adelaide if sufficient inducement offers).

*To Auckland, Wellington, Lyttleton, Dunedin and Bluff.*—Port Nicholson, Montreal-Australia-New Zealand Line, Aug. 22.

*To Sierra Leone, Walvis Bay, Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques and Beira.*—A steamer, Elder Dempster Lines Ltd., August.

*To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Singapore, Madras, Rangoon and Calcutta.*—City of Sydney, Canada-India Service, Aug. 15.

*To Belawan Deli, Penang, Port Swettenham, Singapore, Batavia, Cheribon, Samarang, Soerabaya and Macassar.*—Kota Radja, Java-New York-Blue Funnel Line, Aug. 17.

*To Manila, Hongkong, Shanghai and Dairen.*—City of Lyons, Aug. 2; City of Christchurch, Sept. 2—both Ellerman & Bucknell SS. Co.

*To Rio de Janeiro, Santos and Buenos Aires.*—Goviken, International Freighting Corp., Aug. 14.

### From Quebec

*To Southampton.*—Empress of Britain, Canadian Pacific, Aug. 14 and 28.

### From Halifax

*To Liverpool.*—Newfoundland, Aug. 17; Nova Scotia, Sept. 4—both Furness Line.

*To London, Hamburg, Hull, Leith and Dundee.*—Lehigh, Aug. 13; Artigas, Aug. 27—both American Hampton Roads.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Kongshaug, Newfoundland-Canada SS. Ltd., Aug. 9; Fort Amherst, Aug. 9; Fort Townsend, Aug. 16—both Furness-Red Cross Line; Portia (does not call at St. Pierre), Newfoundland Ry. and SS. Co., Aug. 11; Newfoundland Furness Line, Aug. 17.



To Kingston (Jamaica) and Belize (British Honduras).—Cathcart, Aug. 2; Cavelier, Aug. 16—both Canadian National.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Drake, Aug. 12; Lady Nelson, Aug. 26—both Canadian National.

To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—A steamer, Ocean Dominion SS. Corp., Aug. 4 and 18.

To Puerto Rico, Barbados, Trinidad and Demerara.—Cornwallis, Aug. 9; Colborne, Aug. 23—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To Bermuda, West Indies, and Demerara.—A steamer, Pickford & Black Ltd., Aug. 4.

To Santiago (Cuba) and Kingston (Jamaica).—Kirsten B, Aug. 11; Ciss, Aug. 25—both Pickford & Black Ltd.

To Yokohama, Kobe, Shanghai, Hongkong, Manila, Cebu and Java.—Javanese Prince, Furness Prince Line, Aug. 16; Silvercedar, Silver Line, Sept. 5.

### From Saint John

To London.—Trentino, Ellerman's Wilson Line, Aug. 12; Magdapur, Anchor Brocklebank Line, Aug. 14.

To Aberdeen and Newcastle.—Trentino, Ellerman's Wilson Line, Aug. 12.

To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—Lady Drake, Aug. 4; Lady Nelson, Aug. 18—both Canadian National.

To Kingston and Jamaican Outports.—Harboe Jensen, Aug. 6 and 20; Crawford Ellis Aug. 13—both United Fruit Company (cargo also accepted for transshipment to Central and South American ports).

### From Vancouver

To Yokohama, Kobe and Osaka.—Hikawa Maru, Aug. 14; Hiye Maru, Aug. 28; Heian Maru, Sept. 11—all Nippon Yusen Kaisha.

To Yokohama, Kobe, Shanghai, Hongkong and Manila.—Empress of Canada (calls Honolulu), Aug. 7; Empress of Russia (calls Nagasaki), Aug. 19; Empress of Japan (calls Honolulu), Sept. 4—all Canadian Pacific; Talthybius, Aug. 21; Tyndareus, Sept. 18—both Blue Funnel Line (call at Miike but not at Manila).

To Bombay, Colombo, Belawan Deli, Penang, Singapore, Batavia, Samarang, Soerabaya, Davao and Manila.—Hoeg Merchant, Silver-Java Pacific Line, Aug. 2.

To Honolulu, Suva, Auckland and Sydney.—Niagara, Aug. 3; Aorangi, Aug. 31—both Canadian-Australasian Line.

To Papeete, Auckland, Wellington, Lyttelton, Dunedin, Melbourne and Sydney.—A steamer, Canadian Australasian Line, August.

To London, Liverpool and Rotterdam.—Nebraska, Aug. 7; Delftdyk (calls at Glasgow), Aug. 21; Lochgoil, Sept. 4; Lochmonar (calls at Glasgow), Sept. 18—all North Pacific Coast Line.

To Antwerp, Hamburg and Bremen.—Schwabens, Aug. 18; Elbe, Sept. 5—both North German Lloyd Line; Portland, Aug. 6; Vancouver, Aug. 24—both Hamburg-American Line.

To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.—Wyoming, Empire Shipping Co. Ltd., Aug. 10.

To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.—Chisone, Empire Shipping Co., Aug. 16.

To Port of Spain (Trinidad) and Bridgetown (Barbados).—A steamer, Canadian Transport Co., August.

To Kingston (Jamaica).—A steamer, Canadian Transport Co., August.

To Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques, Colombo, Calcutta and Madras.—Silverbelle, Silver-Java Pacific Line, Aug. 5.

To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.—A steamer, Empire Shipping Co., August.

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**Note.**—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.

## CONDENSED LIST OF PUBLICATIONS ISSUED BY THE DEPARTMENT OF TRADE AND COMMERCE

Applications for publications in this list, together with remittances therefor, should be addressed to the King's Printer, Government Printing Bureau, Ottawa, marked "Attention Chief Clerk of Distribution."

### GENERAL

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- Annual Report of the Board of Grain Commissioners.**—The administration of the Canada Grain Act during the calendar year, including reports of such officers as the Registrar, Chief Inspector, Chief Weighmaster and General Manager of the Canadian Government Elevators, prepared in accordance with Section 23 of the Act. (Price 25 cents.)
- Annual Report of Electricity and Gas Inspection Services.**—A summary of the work of these services with statistics of revenue and expenditure, as also statement showing meters, electrical energy generated for export, and lists of companies registered under the Electricity Inspection Act. (Price 25 cents.)
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From time to time special reports are issued separately, which subscribers to the Commercial Intelligence Journal are entitled to receive free of charge. In all other cases their distribution is controlled by the King's Printer, who fixes a price therefor.

### PUBLICATIONS OF THE DOMINION BUREAU OF STATISTICS

The following is an abbreviated list of publications of the Dominion Bureau of Statistics:—

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**Canada Year Book.** (Price \$1.50.)

**Report of the Dominion Statistician, Annual.** (Price 10 cents.)

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**Monthly Review of Business Statistics.** (Price \$1 per annum.)



# COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

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*Cape Town:* G. R. HEASMAN. Address for letters—P.O. Box 683, Cape Town. Office—Cleghorn & Harris Building, Adderley Street, Cape Town. (Territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar.) *Cable address, Cantracom.*

*Johannesburg:* J. L. MUTTER. Address for letters—P.O. Box 715, Johannesburg. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

### United Kingdom

*London:* FREDERIC HUDD. Chief Trade Commissioner in the United Kingdom, Canada House, Trafalgar Square, S.W.1. *Cable address, Sleighing, London.*

*London:* J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W.1. (Territory covers Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

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### United States

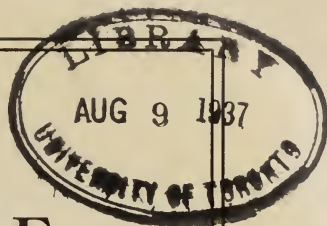
*New York City:* D. S. COLE, British Empire Building, Rockefeller Center. (Territory includes Bermuda.) *Cable address, Cantracom.*

**Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.**



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# COMMERCIAL INTELLIGENCE JOURNAL



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Ottawa, August 7, 1937

No. 1749



Canadian Stall in the British Dominions Section of the Singapore Trade Fair (See page 247)

ISSUED BY AUTHORITY OF  
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE  
JAMES G. PARMELEE, DEPUTY MINISTER

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Vol. LVII

Ottawa, August 7, 1937

No. 1749

## TRADE COMMISSIONERS ON TOUR

The following Canadian Trade Commissioners are now on tour in the Dominion: Mr. F. W. Fraser, Kingston, Jamaica (whose territory covers Jamaica, Haiti, the Bahamas, and British Honduras); Mr. G. R. Heasman, Cape Town, South Africa (whose territory includes Cape Province and South-west Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar); and Mr. L. S. Glass, Rio de Janeiro, Brazil. Their itineraries are as follows:—

### Mr. Fraser

Saint John . . . . .	Aug. 9 and 10	Truro and Pictou . . . . .	Sept. 8
Digby, Yarmouth, and Carleton . . . . .	Aug. 30	Charlottetown . . . . .	Sept. 9 and 10
Lockeport, Liverpool and South Brookfield . . . . .	Aug. 31	Port Elgin, Amherst and Sackville . . . . .	Sept. 11 to 13
New Germany, Lunenburg, Bridgewater and Mahone Bay . . . . .	Sept. 1	Sussex and Fredericton . . . . .	Sept. 14
Halifax . . . . .	Sept. 2 to 4	Grand Falls . . . . .	Sept. 15
Stewiacke and Kentville . . . . .	Sept. 7	Quebec . . . . .	Sept. 16 and 17
		Grand'Mere and Terrebonne . . . . .	Sept. 18
		Montreal . . . . .	Sept. 20 to Oct. 9

### Mr. Heasman

Saint John . . . . .	Aug. 9 and 10	Moncton . . . . .	Aug. 16
Halifax . . . . .	Aug. 12	Ottawa . . . . .	Sept. 16
Truro . . . . .	Aug. 13		

### Mr. Glass

Toronto . . . . .	Aug. 9 and 10	Saint John . . . . .	Aug. 20 and 21
Kitchener . . . . .	Aug. 11 and 12	Halifax . . . . .	Aug. 24 and 25
Hamilton . . . . .	Aug. 13 and 14	Montreal . . . . .	Aug. 27 to Sept. 8
London . . . . .	Aug. 16	Ottawa . . . . .	Sept. 27
Windsor . . . . .	Aug. 17		

Firms who wish to be brought in touch with the Trade Commissioners should communicate for Toronto, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres with the respective Board of Trade or Chamber of Commerce.

## TRADE OF SOUTH AFRICA IN 1936

J. C. BRITTON, ASSISTANT TRADE COMMISSIONER

(Figures within parentheses pertain to 1935. All tons are short tons of 2,000 pounds.)

### II. Imports

The remarkable commercial, mining, building, and industrial activity enjoyed throughout the Union of South Africa during 1936 is reflected in the substantially increased value of imports when compared with 1935. The total value of merchandise imported into the Union of South Africa, exclusive of Government stores, amounted to £80,129,307 as against £70,627,405 in 1935, an increase of £9,501,902 or 13.4 per cent. Domestic industries have been expanding rapidly in the past few years, but have not as yet affected the demand for overseas goods to any marked extent.

The additions to plant and equipment and to the number of manufacturers has perhaps been more noticeable in the case of the iron and steel, garment and

clothing, footwear, furniture, paint and varnish, foodstuffs, and rubber industries, and plants manufacturing these products were working to capacity in 1936. They were, however, unable to cope with the increased domestic demand. This fact will be evident when it is realized that the value of imports for all thirteen headings under which imports are classified increased in 1936 over the totals recorded in 1935. The tonnage of overseas cargo landed at the ports of the Union also increased from 3,736,286 in 1935 to 4,491,971 in 1936.

### PRINCIPAL SOURCES OF IMPORTS

Despite the fact that there were one hundred or more countries supplying imports to the Union of South Africa in 1936, sixteen accounted for £74,529,287 or 91.9 per cent of the total compared with £65,167,139 or 91 per cent for the same number in 1935. The value of imports from the United Kingdom, the principal supplier, increased from £34,359,909 in 1935 to £36,635,850 in 1936, but her share of total imports from "countries overseas" declined from 48.7 per cent to 45.7 per cent. Imports from other parts of the British Empire overseas were valued at £6,755,882 (8.4 per cent) in 1936, and £5,936,291 (8.4 per cent) in the previous year. Imports from foreign countries were valued at £36,737,575 (45.9 per cent) in 1936, a considerable increase over £30,331,205 (42.9 per cent) in 1935.

### IMPORTS FROM PRINCIPAL COUNTRIES BY VALUE AND PERCENTAGE

The following table shows the percentage and value of imports into the Union of South Africa from the sixteen principal suppliers for the last three years. The figures are based on all imports exclusive of Government stores and specie.

Country of Origin	1936		1935		1934	
	£1,000	Per Cent	£1,000	Per Cent	£1,000	Per Cent
Total merchandise . . . .	81,099	100.0	71,618	100.0	63,885	100.0
1 United Kingdom . . . .	36,635	45.2	34,359	48.0	30,725	48.1
2 United States . . . .	15,927	19.6	12,697	17.7	10,794	16.9
3 Germany . . . .	4,301	5.3	3,448	4.8	3,041	4.8
4 Japan . . . .	3,065	3.8	2,656	3.7	2,241	3.5
5 Canada . . . .	2,882	3.6	2,436	3.4	2,492	3.9
6 Belgium . . . .	2,124	2.6	1,366	1.9	1,235	1.9
7 India . . . .	1,657	2.0	1,634	2.3	1,457	2.3
8 Sweden . . . .	1,409	1.7	1,301	1.8	1,257	2.0
9 Dutch East India Islands	1,188	1.5	891	1.2	792	1.2
10 Holland . . . .	992	1.2	821	1.1	835	1.3
11 Czechoslovakia . . . .	911	1.1	676	0.9	583	0.9
12 Persia . . . .	817	1.0	540	0.8	500	0.8
13 Finland . . . .	756	0.9	552	0.8	528	0.8
14 France . . . .	735	0.9	733	1.0	769	1.2
15 Ceylon . . . .	683	0.8	668	0.9	532	0.8
16 Switzerland . . . .	440	0.5	380	0.5	383	0.6
Total (sixteen countries listed) . . . . .	74,529	91.9	65,167	91.0	58,170	91.0

Japan maintained fourth position, which was secured from Canada during 1935. Belgium exchanged places with India, moving from seventh place in 1935 to sixth in 1936. Holland moved from eleventh to tenth position, and France, in tenth place in 1935, was fourteenth on the list in 1936. Imports received from Czechoslovakia, Persia, Finland, and Switzerland increased in value in 1936 compared with the previous year, and as a result these countries improved their positions on the list of principal suppliers. Italy held tenth position in 1935 but is not included in the sixteen principal countries in 1936.

### IMPORTS BY COMMODITY GROUPS

Imports in the annual trade returns issued by the Union of South Africa are classified in thirteen main groups. The following table shows the value of



imports of merchandise imported under each heading for the calendar year 1936, segregating those from the United Kingdom, other parts of the British Empire, and foreign countries. Percentages are given in each case.

	United Kingdom		Other Parts of British Empire		Foreign Countries		Total
	£1,000	Per Cent	£1,000	Per Cent	£1,000	Per Cent	£1,000
Animals, agricultural, and pastoral products (not foodstuffs) . . . . .	150	30.8	111	22.7	227	46.5	489
Foodstuffs . . . . .	821	20.1	1,604	39.2	1,663	40.7	4,089
Alcs, spirits, wines and beverages. . .	543	77.8	16	2.4	138	19.8	698
Tobacco and manufactures thereof. . .	68	24.2	153	54.0	62	21.8	284
Fibres, yarns, textiles and apparel. . .	11,345	62.0	1,437	7.8	5,522	30.2	18,304
Metals, metal manufactures, machinery and vehicles . . . . .	15,965	47.4	1,522	4.5	16,173	48.1	33,660
Minerals, earthenware, glassware and cement . . . . .	700	35.3	107	5.4	1,177	59.3	1,985
Oils, waxes, resins, paint and varnish . . . . .	850	17.4	326	6.7	3,704	75.9	4,882
Drugs, chemicals and fertilizers. . . .	1,502	48.2	176	5.7	1,436	46.1	3,115
Leather, rubber and manufactures thereof . . . . .	839	38.1	552	25.1	810	36.8	2,202
Wood, cane, wicker and manufactures thereof . . . . .	232	6.5	477	13.2	2,896	80.3	3,607
Books, paper and stationery . . . . .	1,605	53.8	206	6.9	1,172	39.3	2,985
Jewellery, timepieces, fancy goods and musical instruments . . . . .	811	50.3	37	2.3	763	47.4	1,612
Miscellaneous. . . . .	1,197	34.1	25	1.2	988	44.7	2,212
Total . . . . .	36,635	45.7	6,755	8.4	36,737	45.9	80,129

The United Kingdom accounted for 50 per cent or more of imports in five of the main groups in 1936; in 1935 for 50 per cent or more of imports in the case of seven groups. Decreases were recorded in the value of imports forthcoming from the United Kingdom in the case of drugs, chemicals and fertilizers, and miscellaneous in 1936 as compared with the preceding year, increases being registered under all other headings. The largest increases in the value of imports from the United Kingdom occurred under metals, metal manufactures, machinery and vehicles, and fibres, yarns, textiles, and apparel. These two groups make up more than five-eighths of the total imports.

#### GOVERNMENT STORES

Government purchases, which are not included in the above table, were valued at £5,182,748 in 1936 compared with £3,670,953 in 1935. This total excludes clearances ex bond valued at £1,507,073 and £1,111,525 respectively in the same two years.

The United Kingdom was responsible for imports of government stores valued at £3,316,269 in 1936 and £2,267,986 in 1935, followed by Germany, £628,693 (£443,734); Belgium, £459,115 (£341,281); United States, £221,430 (£49,575); and Canada, £193,216 (£205,317). The chief government purchases during 1936 were: railway rolling stock, £1,224,512 (£306,011); heavy rails, £507,561 (£439,729); other instruments and material, £431,749 (£321,692); all other railway material, £367,991 (£233,652); locomotives and parts, £333,240 (£380,231); and iron sleepers, £305,886 (£482,720).

#### ANALYSIS OF IMPORTS BY GROUPS

##### ANIMALS, AGRICULTURAL AND PASTORAL PRODUCTS

The principal commodities imported under this heading were: ox and cow hides valued at £103,096 in 1936 compared with £71,607 in 1935; sheep's wool, £102,914 (£79,322); sausage casings, £34,599 (£31,174); glue, £21,363 (£18,693); vegetable seeds, £12,725 (£13,281); and field seeds, £10,819 (£6,375). Southern Rhodesia, Kenya, and Argentina were the leading suppliers of ox and cow hides,

and Argentina and the United Kingdom furnished the bulk of sheep's wool. More than 65 per cent of the sausage casings imported were credited to China, and the United Kingdom was responsible for the bulk of the imports of glue.

#### FOODSTUFFS

The chief sources of supply for imports under the above classification in 1936 were: United Kingdom £821,935 (£761,625); Ceylon, £595,165 (£554,592); India, £384,345 (£383,489); Brazil, £239,066 (£311,562); United States, £237,353 (£189,734); Canada, £184,128 (£157,258); Dutch East Indies, £180,742 (£101,947); Portuguese East Africa, £177,387 (£150,144); Siam, £134,406 (£109,027); Uganda, £110,151 (£57,314); Southern Rhodesia, £96,075 (£37,730); Holland, £85,244 (£64,012); Norway, £77,666 (£79,322); Argentina, £76,988 (£123,496); and Kenya, £75,952 (£73,062).

A wide variety of foodstuffs is imported into the Union of South Africa, the more important items being tea valued at £759,793 in 1936 and £690,172 in 1935; rice, £437,000 (£409,702); coffee, £424,157 (£469,093); fish, £419,745 (£390,158); pulse in the grain, £237,505 (£165,833); confectionery, £210,033 (£199,185); meats, £187,609 (£226,504); pickles and sauces, £100,149 (£90,677); cocoa, £88,824 (£90,336); vegetables, preserved, £85,846 (£81,491); other cereals in the grain, £43,934 (£4,818), and milk, condensed and desiccated, £39,812 (£14,260). The United Kingdom was the main source of supply for confectionery, biscuits, extracts and essences, dried and cured fish, preserved fruits, pickles and sauces, and golden syrup. Imports from Ceylon were composed almost entirely of tea. India, together with Siam, supplied the bulk of the rice imported; Argentina, preserved meats; and Brazil, together with Uganda, Tanganyika, and Kenya, practically all of the raw coffee imported. The United States is credited with the bulk of the imports of canned goods. Canada and Norway were responsible for a large percentage of the imports of preserved fish.

#### ALES, SPIRITS, WINES AND BEVERAGES

The total value of imports listed in this group amounted to £698,450 in 1936 compared with £607,528 in 1935. As the foregoing table indicates, the United Kingdom accounted for £543,455 (77·8 per cent of the total) in 1936 as against £472,767 (77·8 per cent) in 1935. The largest single item in this group was whisky; imports of this commodity were valued at £426,901 in 1936 (£373,684). The United Kingdom accounted for £425,149 of the total imports of whisky in 1936 and £372,347 in 1935. Imports of whisky from Canada amounted to £1,298 and £947 in the same two years. France supplied sparkling wines valued at £28,481 in 1936 (£17,809), and brandy, £24,463 (£23,286). Imports of beer, ale, and stout from Germany amounted to £5,781 in 1936 compared with £5,105 in 1935. Wines, brandy, and beer of excellent quality are produced within the Union of South Africa, the two first-named being exported overseas in fairly large quantities.

#### TOBACCO

Tobacco is grown fairly extensively in the Union of South Africa, and imports under this heading are confined to cigars, special brands of cigarettes, and sufficient additional unmanufactured tobacco required for domestic consumption. In the calendar year 1936 total tobacco imports amounted to £284,653 (£265,046). The principal items imported were: unmanufactured tobacco from Southern Rhodesia valued at £150,679 (£148,455); cigarettes, £61,500 (£62,556) from the United Kingdom; and cigars, £26,744 (£21,047), from Cuba.



## FIBRES, YARNS, TEXTILES, AND APPAREL

The manufacture of clothing and apparel is an important domestic industry. Notwithstanding this fact, imports under the above heading increased from £16,609,636 in 1935 to £18,304,737. Imports of fibres, yarns, textiles, and apparel are forthcoming from many countries overseas, the main suppliers in 1936 being the United Kingdom, £11,345,093 (£10,272,430); Japan, £2,302,512 (£1,947,379); United States, £921,904 (£814,343); India, £918,233 (£938,921); Belgium, £461,455 (£326,717); Germany, £410,087 (£327,961); Canada, £396,106 (£275,293); France, £253,443 (£262,333); and Czechoslovakia, £243,959 (£166,067). Italy supplied imports under this classification valued at £631,388 in 1935 compared with £173,894 in 1936.

Cotton piece-goods imported were valued at £3,805,831 in 1936 and £3,666,398 in 1935, the bulk of this total being imported from the United Kingdom—£3,075,259 in 1936 and £2,947,217 in 1935; Japan, £488,138 (£469,405), and Belgium, £153,761 (£110,080). Imports of women's outer garments n.e.e. totalled £2,050,692 in 1936 compared with £1,693,461 in 1935, and were mainly supplied from the United Kingdom, £1,224,199 (£1,099,459); United States, £318,798 (£249,584); Germany, £155,885 (£122,867); Japan, £126,762 (£79,399); Austria, £56,859 (£50,075); and Canada, £34,687 (£10,841). Woollen piece-goods imports amounted to £1,837,747 and £1,666,803 in the same two years, the chief sources of supply being the United Kingdom, £1,467,518 (£1,392,010); Japan, £213,040 (£88,548), and Belgium, £51,505 (£29,335).

Rayon piece-goods to a value of £1,056,188 were imported during 1936 as against £957,661 in the previous year. The principal countries responsible for this total were the United Kingdom, £450,708 in 1936 and £295,227 in 1935; Japan, £423,108 (£470,905); Germany, £44,354 (£24,119); and France, £42,478 (£50,406).

Other important items in this group were: haberdashery, other soft, n.e.e., imports being valued at £812,331 and £729,508 respectively in 1936 and 1935; men's outer garments, n.e.e., £672,790 (£579,224); hosiery other than cotton or woollen, £632,375 (£509,980); jute bags for coal, grain, and sugar, £631,229 (£716,698); and drapery, n.e.e., and other textile articles of furnishing, £517,125 (£436,148). Other soft haberdashery imports were chiefly forthcoming from the United Kingdom £449,600 (£418,034) and France £116,717 (£107,294); men's outer garments, the United Kingdom £496,108 (£398,310); hosiery other than cotton or woollen, Canada £306,613 (£213,713), Japan £120,080 (£69,954), and the United Kingdom £90,628 (£98,054); jute bags, India £601,251 (£675,282); and drapery n.e.e., from the United Kingdom £287,666 (£268,625), and Japan £176,746 (£123,846).

## METALS, METAL MANUFACTURES, MACHINERY, AND VEHICLES

Imports under this classification increased from £29,723,801 in 1935 to £33,660,912 in 1936, the total recorded being considerably in excess of any of the other thirteen import groups. The phenomenal industrial and mining activity within the Union for the past four years has resulted in imports in this category increasing to more than three times the value listed in 1932. Increased imports of iron and steel manufactures are recorded in spite of a rapidly expanding domestic iron and steel industry which was working at capacity during 1936.

The more important imports in this group were: motor cars valued at £4,160,190 in 1936, and £3,181,298 in 1935, the leading suppliers being the United States, £3,070,363 in 1936 and £2,122,686 in 1935, and the United Kingdom £854,905 (£914,864); other mining machinery £1,429,480 (£1,786,335), United Kingdom £1,018,938 (£1,279,129), and the United States £347,762 (£438,343). Motor car chassis, £1,280,032 (£1,413,325), United States £804,204 (£894,752), and Canada £449,428 (£438,350); motor car parts and accessories, £1,133,553 (£1,145,764), United States £847,799 (£869,914), United Kingdom £151,398 (£177,848), and Canada £112,533 (£81,720); machinery n.e.e., £1,124,230 (£889,347), United States £737,308 (£599,256), United Kingdom £221,382 (£159,666), and Sweden £102,801 (£99,848); industrial machinery n.e.e., £1,122,463 (£880,165), United Kingdom £814,989 (£613,762); motor truck chassis £1,219,662 (£932,994), United States £615,163 (£472,999), United Kingdom £346,901 (£260,093), Germany £138,065 (£55,362), and Canada £114,418 (£141,227); electrical cable and wire, £1,110,531 (£905,128), United Kingdom £980,149 (£837,767); and other electrical appliances, £1,012,009 (£909,256), United Kingdom £717,773 (£663,626), and Germany £126,901 (£81,180).

## MINERALS, EARTHENWARE, GLASSWARE, AND CEMENTS

Imports listed in this group were valued at £1,985,167 in 1936 compared with £1,798,800 in 1935. The leading supplying countries were: United Kingdom with imports amounting to £1,700,699 in 1936 compared with £667,855 in 1935; Germany, £224,804 (£201,897); United States, £187,789 (£112,230); Czechoslovakia, £175,769 (£129,239); Belgium, £166,836 (£161,413); and Japan, £160,658 (£149,253). The chief products imported in this class were china and porcelainware valued at £244,505 in 1936 and £227,462 in 1935; glassware n.e.e., £220,152 (£167,993); glass bottles and jars, £206,218 (£188,944); other plain sheet glass, £138,835 (£107,947); plate glass, £137,750 (£116,615); cement, £129,108 (£223,180); and flooring and paving and tiles, £128,924 (£115,543).

The bulk of the china and porcelainware was furnished by the United Kingdom £123,819 (£120,796), and Japan £106,330 (£93,417). Glass bottles and jars valued at £78,581 (£74,816) were forthcoming from the United Kingdom, £43,762 (£32,952) from the United States, and £42,735 (£39,634) from Germany. Plate glass and plain sheet glass and glassware were imported mainly from Belgium and the United Kingdom, while the largest suppliers of flooring, paving and wall tiles were Germany and Belgium. The fact that imports of cement during 1936 were below those of the previous year is noteworthy in view of the large increase in building which took place. The expansion in the domestic industry enabled local factories to more nearly meet local requirements.

## OILS, WAXES, RESINS, PAINTS, AND VARNISH

The chief commodities imported in 1936 under the above classification, in order of importance, were: motor spirit, £1,811,664 (£1,338,876); lubricating oil, £533,293 (£483,620); fuel and crude oil, £315,067 (£191,713); other ready-mixed paints, £229,119 (£199,327); paraffin, £220,278 (£231,019); illuminating and burning oil, £188,942 (£190,714); and palm and palm kernel, £142,334 (£122,080). The above products account largely for the total imports listed under this heading, valued at £4,882,222 in 1936 compared with £4,045,126 in 1935.

The United States, which supplied imports valued at £1,434,313 (£1,213,247); Dutch East Indies, £893,428 (£672,028); the United Kingdom, £850,486 (£761,178); and Persia, £797,082 (£532,884), were the leading supplying countries. An increase in imports of motor spirit and motor fuel is to be expected in view of the rapidly increasing number of motor cars being purchased. The fact that soap and paints are not large items is due to increasing domestic production. Soap imports are now confined to toilet soaps of the better grades, and paints to internationally known brands and other materials for use in the domestic industry.

## DRUGS, CHEMICALS, AND FERTILIZERS

Total imports for this group amounted to £3,115,370 in 1936 compared with £3,004,283 in 1935. Imports of cyanide were valued at £422,894 in 1936 compared with £446,481 in 1935; medicinal preparations, specifics (including veterinary), £361,482 (£347,863); superphosphates, £217,027 (£151,981); perfumery and toilet preparations, £203,586 (£208,569); drugs n.e.e., £162,567 (£149,362); and distilled glycerine in bulk, £162,097 (£164,167), were the main imports.

The United Kingdom with imports valued at £1,502,442 (48.2 per cent) compared with £1,510,289 (50 per cent) in 1935 furnished the bulk of the imports under this heading. The United Kingdom's total included imports of medicinal preparations valued at £218,579 (£214,869); cyanide, £192,337 (£195,258); distilled glycerine, £138,743 (£161,719); and perfumery and toilet preparations, £128,229 (£126,954). The United States occupied second position, imports from this source amounting to £365,405 (£242,953), followed by Holland £291,052 (£213,831), Germany £277,626 (£254,990), and Canada £128,644 (£162,999). The United States' total was composed mainly of medicinal preparations £59,715 (£53,660), perfumery and toilet preparations £55,512 (£57,076), and sodium nitrate £52,434 (nil); Holland's, superphosphates £209,862 (£136,549) and crude glycerine £35,832 (£33,397); Germany's, medicinal preparations £66,860 (£56,902) and liquid substances for destroying insects £33,351 (£17,862). The decrease in imports from Canada under this heading is accounted for by the decline in value of imports of cyanide, from £153,925 in 1935 to £120,189 in 1936.



## LEATHER AND RUBBER AND MANUFACTURES THEREOF

The value of imports in this category amounted to £2,202,381 in 1936 as against £1,759,276 in 1935. The chief supplying countries in order of importance were the United Kingdom, £839,089 (£726,978); Canada, £315,166 (£269,479); United States, £304,146 (£259,911); Straits Settlements, £187,801 (£32,885); and Germany, £171,892 (£152,738).

The principal commodities imported under this heading were leather in the piece valued at £646,701 (£556,092); footwear, £480,119 (£410,970); motor car and truck tires and tubes, £436,728 (£406,594); and unmanufactured rubber, £247,133 (£64,700). The United Kingdom accounted for imports of footwear valued at £275,791 in 1936 and £243,799 in 1935; leather in the piece, £203,053 (£178,858); and motor car and truck tires and tubes, £103,961 (£108,350). Canada's total under this heading was made up largely of motor car and truck tires and tubes, £264,351 (£236,687); in 1936 Canada was responsible for 60·4 per cent of the total imports of motor car and truck tires and tubes. The manufacture of footwear is a well-established and important industry in the Union. Motor car tires and tubes are being produced domestically, and in the year under review another well-known tire manufacturer began operation. The growing importance of the latter industry is indicated in the increased imports of unmanufactured rubber.

## WOOD, CANE, AND WICKER, AND MANUFACTURES THEREOF

Building activity throughout the Union of South Africa in the year under review surpassed all previous records, and as a result imports under the above heading increased from £2,794,472 in 1935 to £3,607,120 in 1936. The largest single item was pine, other, and other coniferous softwoods valued at £1,116,127 in 1936, a considerable increase when compared with £884,051 in 1935. Imports of flooring and ceiling, planed, tongued, and grooved, amounted to £392,191 (£269,285); teak, £326,849 (£192,196); pitch pine, £307,104 (£261,746); box shooks for packing citrus fruits or dairy produce, £224,639 (£205,595); brushes, £143,021 (£120,018); box shooks, other, £140,195 (£132,207); plywood, £130,560 (£82,756), and pulpboards for building, £107,694 (£64,825).

The principal supplying countries were the United States with imports valued at £846,857 in 1936 and £596,852 in 1935; Finland, £646,594 (£479,252); Sweden, £397,333 (£425,366); Russia, £240,044 (£206,008); Canada, £261,598 (£135,282); and the United Kingdom, £232,867 (£205,601).

## BOOKS, PAPER AND STATIONERY

Total imports in this group were valued at £2,985,002 in 1936 as against £2,478,823 in 1935. The United Kingdom furnished imports amounting to £1,605,449 in 1936 and £1,368,024 in 1935, followed by Sweden, £306,141 (£296,176); United States, £234,864 (£158,810); Canada, £201,077 (£143,901); and Germany, £190,802 (£138,735).

The main items imported under this heading were printed books and music and newspapers valued at £507,625 in 1936 and £433,939 in 1935—United Kingdom £439,078 (£383,677), and the United States £43,439 (£25,391); printing paper other than newsprint, £438,413 (£362,043), United Kingdom £197,989 (£173,034), Norway £64,344 (£61,151), Sweden £44,404 (£33,971), and Germany £40,372 (£27,747); wrapping paper, £389,442 (£310,687), Sweden £195,206 (£175,585), United Kingdom £55,791 (£36,560), and Finland £53,176 (£40,650); newsprint £292,210 (£226,381), Canada £163,269 (£115,416) and the United Kingdom £106,269 (£59,810); and cardboard, linenboard, and strawboard, £244,300 (£194,555), Germany £54,705 (£37,816), United Kingdom £41,952 (£38,330), and the United States £40,035 (£23,208).

## JEWELLERY, TIMEPIECES, FANCY GOODS, AND MUSICAL INSTRUMENTS

Imports in this group increased from £1,404,757 in 1935 to £1,612,476 in 1936. The United Kingdom with imports valued at £811,556 in 1936 and £726,004 in 1935; the United States, £203,152 (£141,549); Germany, £159,981

(£137,094); Japan, £140,967 (£126,168); and Switzerland, £89,954 (£76,823), were the leading supplying countries. Imports of toys and indoor games, which were valued at £222,135 in 1936 and £186,248 in 1935; fancy goods, £235,798 (£202,018); gramophones and records, £232,774 (£150,598); sporting goods, £188,129 (£182,502); jewellery, £129,255 (£129,396); and watches and parts, £107,547 (£93,045), were the chief items. The United Kingdom supplied the bulk of the toys and games, gramophones and records, sporting and fancy goods. Switzerland was the principal source of supply for watches.

#### MISCELLANEOUS

The total value of the imports listed under the above classification was £2,212,025 in 1936 compared with £1,949,684 in 1935. The United Kingdom was the leading supplier, furnishing imports amounting in value to £1,197,960 in 1936 and £1,949,683 in 1935, followed by the United States, £461,336 (£388,552); and Germany, £359,214 (£275,258). The main items in this group were fuse other than detonators and percussion caps, imports of which were valued at £356,880 in 1936 and £351,027 in 1935; sound films, £229,387 (£214,460); surgical and dental instruments and appliances, £266,335 (£177,412); and school and hospital furniture, £152,570 (£156,162).

### HAY CROP PROSPECTS IN THE UNITED KINGDOM

London, July 23, 1937.—Prospects for the hay crop throughout England have been excellent, and with good harvesting weather up to the end of the third week in July the yield has been very abundant, with the result that in general the prospects for imported hay during the coming fall and winter have undoubtedly decreased.

#### Southeastern England

H. L. BROWN, ASSISTANT TRADE COMMISSIONER, LONDON

The hay harvest has been under way in practically all districts for some time and gives every indication of being one of the heaviest recorded for some years. It is estimated that the yield of seeds hay will be about 30 cwt. per acre and that of meadow hay about 21 cwt. per acre, compared with an average of 26.4 cwt. and 19.5 cwt. respectively for the ten years 1927-36. The quantity is large and the quality to date, while not perfect, is better by far than last season. In fact, fears are being expressed that prices may consequently remain on the low side. Farmers will certainly have ample good hay to last them through the next winter and a substantial surplus to place on the market as opportunity affords.

The weather in May and June was generally warm and sunny with sufficient rain and, while the rain came too frequently in torrential downpours, it did little damage to the hay crop. Late June and early July were good for ripening and harvesting has continued quite satisfactorily.

Clovers and mixtures have been unusually heavy, and although some lots have suffered from rain, large quantities have been harvested well. Meadow hay has been rather light on the lighter soils, but appears to have been abundant on the clay soils even though rather drowned out in a few parts by the heavy downpours.

Buyers are difficult and the few sales being made are at prices scarcely more than half those of a few months ago. Given further good weather the harvest should be ample for the needs of the country; importations may be expected to be much lower than last year and at poorer prices.



## West of England

L. H. AUSMAN, ASSISTANT TRADE COMMISSIONER, BRISTOL

Weather conditions during the growing and harvesting periods have been ideal in this part of the country, with the result that a good average crop of excellent quality has been obtained. As compared with recent years, and particularly last season, when a very poor crop was harvested, the feeding value of this year's hay is much superior, and one authority has estimated that on the basis of quality and quantity combined it is 50 per cent better than in 1936. It is the general impression that though the quality of the hay will be better than last year, the price will probably be between 5s. and 10s. under the average for the 1936 crop. At the present time it is difficult in Bristol to get more than £4 per ton for the better qualities of last season's clover mixture.

The prospects for the sale of any substantial quantity of Canadian hay in the West of England or South Wales this season are very poor indeed. To make the business a profitable one Canadian hay should be sold at prices in the neighbourhood of £4 to £4 10s., and a survey of the present situation makes it appear doubtful if these prices can be realized.

Towards the close of last season Canadian shippers of hay to the United Kingdom generally, and to Bristol Channel ports in particular, were handicapped by progressively increasing freight rates, and by the difficulty of securing space even at the higher rates, a condition that would still apply.

## Northern England

H. R. POUSSETTE, CANADIAN TRADE COMMISSIONER, LIVERPOOL

There appears to be no doubt that this year's crop of hay will be a good one. The harvesting in the North of England has been carried on under very favourable conditions, and in fact one important dealer states that he has not had a single bad report from any county. The prospects are that this crop will exceed that of 1935, which was estimated at between 12,000,000 and 13,000,000 tons for the whole country. Another dealer, however, points out that while the yield in the southern counties has been excellent as regards bulk, the crop in Northern England has lacked sun, and the quality is variable.

## Scotland

G. B. JOHNSON, CANADIAN TRADE COMMISSIONER, GLASGOW

It is just a little early for a report on the hay crop in Scotland to be of full value, as the season here is, of course, later than in England.

With the improved prices for cereals, there was some tendency for the hay acreage to be curtailed, and it is probable that the quantity grown in Scotland this year is below the average for the last five or six years.

The weather in the earlier part of the year was very suitable for this crop, and in some districts the hay ripened very early, and advantage was taken of some good weather to secure the crop. Since then, however, the weather has not been suitable for either cutting or hay-making, and at the moment it seems to be very doubtful if the remainder of the crop will be secured in good condition. The wet weather since the end of June has undoubtedly increased the weight of the hay as there was very good growth. Now that the hay is ripened, the delay in cutting will cause a deterioration in quality.

This position refers more particularly to the districts around Glasgow, but it may be taken as true in a lesser degree for the main hay-growing district in the Carse of Stirling. There, however, owing to the nature of the soil, the crop of timothy hay is harvested a little later than in the Glasgow area, but it must be said that, unless the weather improves almost immediately, the question of quality will be acute in the near future. A great deal of the hay is discoloured and will not be of the usual good feeding quality of the past five years.

The old crop is entirely sold out.

## WHEAT AND FLOUR IMPORTS INTO SCOTLAND, JANUARY TO JUNE

G. B. JOHNSON, CANADIAN TRADE COMMISSIONER

Glasgow, July 21, 1937.—The following table will show the wheat import position of Scotland during the first six months of this year in comparison with several previous years and with 1929.

The total imports into Scotland during the six months were substantially larger than during any previous corresponding period back to and including 1929. (No figures are available for any year preceding 1929.) The figure for this year is 17 per cent above that for the corresponding period last year.

Canada's share of the trade was 61 per cent as compared with 58 per cent in 1936, 66 per cent in 1935, 66½ per cent in 1934, and 64½ per cent in 1929. Australian shipments exceeded the striking quantity received here in 1936, and South America (which doubtless means Argentina) made substantial shipments for the first time for many years.

### *Wheat Imports into Scotland*

	Jan.-June, 1937	Jan.-June, 1936	Jan.-June, 1935	Jan.-June, 1934	Jan.-June, 1929
	Figures in Cwts. of 112 Lbs.				
Total .. . . .	3,537,557	3,003,363	3,062,569	2,654,240	2,949,654
Canada .. . . .	2,180,434	1,736,789	2,030,750	1,758,344	1,906,901
Australia .. . . .	999,763	988,405	500,856	722,189	393,053
France .. . . .	.....	88,011	193,627	.....	.....
Germany .. . . .	25,440	.....	55,220	45,418	70,050
United States .. . . .	.....	.....	40,976	.....	392,650
Russia .. . . .	.....	.....	.....	14,498	.....
Belgium .. . . .	11,019	20,735	54,780	.....	.....
South America (pre- sumably Argentina)	203,880	.....	.....	.....	.....
Lithuania .. . . .	.....	32,101	34,480	.....	.....
Danzig .. . . .	29,760	.....	.....	.....	.....

### FLOUR

#### *Flour Imports into Glasgow and Leith, excluding Coastwise and Rail Shipments*

	Jan.-June, 1937	Jan.-June, 1936	Jan.-June, 1935	Jan.-June, 1934	Jan.-June, 1929
	Figures in Cwts. of 112 Lbs.				
Total .. . . .	1,479,410	1,397,320	1,155,449	1,192,554	1,473,516
Canada .. . . .	658,647	720,162	803,135	737,932	787,903
Australia .. . . .	485,813	336,925	272,475	342,790	229,276
United States .. . . .	20,530	21,487	28,959	53,970	425,891
France .. . . .	12,640	9,295	19,908	28,879	9,643
Belgium .. . . .	16,680	3,320	5,024	10,196	.....
Danzig .. . . .	.....	6,120	11,100	.....	.....

Large quantities of flour, most of it Canadian, are imported at Dundee and Aberdeen, but no figures are available. But it may be seen from the above table that at Glasgow and Leith (the port of Edinburgh) Canada's share of the trade was 44½ per cent as compared with 51½ per cent in the corresponding period of 1936, 69 per cent in 1935, 61½ per cent in 1934, and 50 per cent in 1929. Australia's contribution was 33 per cent as compared with 24 per cent in 1936, 24 per cent in 1935, 28½ per cent in 1934, and 16 per cent in 1929.

Arrivals at these two ports by coast and rail amounted in the period to 282,467 cwts. as compared with 245,370 cwts. in the first six months of 1936, 316,159 in 1935, and 275,280 in 1934.



## GOLD MINING IN NEW ZEALAND

R. P. BOWER, ASSISTANT TRADE COMMISSIONER

Auckland, New Zealand, June 24, 1937.—Gold mining, which in its early stages contributed greatly to the progress and settlement of New Zealand, has again come into prominence, mainly on account of the enhanced price of gold. Throughout the depression many unemployed men turned to prospecting, thereby giving an added impetus to the development of new areas.

The estimated gold production for 1936 is 164,575 fine ounces, a decrease of 702 ounces from 1935.

The most important gold-mining operations in New Zealand consist of the working of quartz lodes. The chief producing field at present is the Waihi area, about half way down the North Island, on the East Coast. The most productive enterprise there crushed 18,391 tons of ore in the period ending June 5, 1937, extracting 4,400 fine ounces of gold and 27,723 fine ounces of silver. In 1936 this company treated 172,622 tons of ore, yielding 53,108 fine ounces of gold and 382,400 fine ounces of silver. Quartz mining is also conducted in the Grey River district on the West Coast of the South Island.

### DREDGING OPERATIONS

Alluvial gold, the production of which was 37,134 fine ounces in 1935, is found chiefly on the West Coast of the South Island and in Otago, one of the southerly provinces of the South Island. Remarkable progress has been made in gold dredging in New Zealand in recent years, and when a projected electrical system is completed next year making available an abundance of cheap electrical power to be carried by transmission lines, gold-dredging activities will be considerably stimulated.

Since 1933 the number of dredges in operation has increased from 7 to 20, and in 1935, the latest year for which statistics are available, these produced 32,062 fine ounces of gold. As about one-fifth of the New Zealand total production of gold was contributed by dredging operations in 1935, production on the same basis of percentage should be approximately 33,000 fine ounces in 1936. British, United States, and Australian capital are interested in the dredging developments.

## CONDITIONS IN NEWFOUNDLAND

A. E. BRYAN, INSPECTOR, CANADIAN TRADE COMMISSIONER SERVICE

### VI. Import Trade—Continued

#### DAIRY PRODUCTS

Dairying is not an important industry in Newfoundland, but in common with other branches of agriculture it is now receiving the attention of the Government. Considerable progress has been made during the past two years in the production, grading and marketing of dairy products, and with continued government assistance and supervision the Colony will become less dependent on imported supplies. There is, however, a steady demand for imported dairy products.

In 1936 the total imports of butter, oleomargarine, cheese, and fresh eggs were valued at \$190,863, of which Canada supplied 72.7 per cent. The following are the total import values in each commodity with Canada's share within parentheses: butter, \$85,635 (\$53,022); oleomargarine, \$7,999 (\$102); cheese, \$69,673 (\$65,055); eggs, \$27,556 (\$20,703). The duties on these commodities

are as follows: butter, 8 cents a pound; oleomargarine, 7 cents a pound; cheese, 3 cents a pound; eggs in the shell, 10 cents a dozen. There are no preferential rates of duty on these commodities.

#### BUTTER

Very little fresh butter is used in Newfoundland. Ninety-five per cent of the total requirements are met by butterine or oleomargarine, which is manufactured locally by two concerns. Although the import figures indicate that Canada was the largest supplier of butter to Newfoundland last year, more New Zealand butter was in evidence early in the present year. It was said that the flavour of Canadian butter is preferred, but New Zealand prices were lower. Most of the New Zealand butter is purchased from distributors in the United Kingdom. Importers state that New Zealand butter has better keeping qualities than any other make.

The demand for butter amounts to from 400,000 to 500,000 pounds per annum, and the prospects for increasing Canada's share of this business depend entirely on price. Importers are willing to pay perhaps one or two cents per pound more for Canadian butter, but the demand is in the summer months, when there are frequent steamer arrivals from Canadian ports permitting imports in small quantities two or three times a week.

#### BUTTERINE

There are two important manufacturers of oleomargarine, commonly called "butterine" in Newfoundland. These firms are producing eight brands of butterine retailing at from 20 to 30 cents per pound. Their products are sold all over the island. The large demand for butterine is due to the fact that milk is both scarce and expensive. In 1936 there were only 11,700 cows in Newfoundland. Milk retails at 16 cents a quart in St. John's and ordinary cream (25 per cent butter fat) sells at 20 cents a half-pint. Cream of 50 per cent butter fat retails at 40 cents per half-pint.

The quality of the butterine manufactured in Newfoundland is exceptionally fine and it is difficult to distinguish between it and butter, particularly in the case of the best grades. The larger of the two companies above referred to intends to manufacture pure butter in the near future. The market for pure butter is chiefly in the cities and large towns.

#### CHEESE

Canada supplies practically all the cheese consumed in Newfoundland. Total imports amounted to 551,898 pounds valued at \$69,673, of which Canada supplied 539,902 pounds valued at \$65,055. Certain importers complain that the packing of Canadian round cheese is not sufficiently strong. Considerable breakage has been experienced, and it is suggested that a heavier type of veneer should be used for cheese boxes intended for Newfoundland. Once the head comes off a cheese box, part of the contents is usually stolen.

In addition to round Cheddar cheese considerable quantities of processed cheese are imported in half-pound and pound packages. Almost every well-known Canadian brand is to be found in the grocery stores of St. John's.

#### EGGS

Canada is the principal exporter of fresh eggs to Newfoundland. Imports last year amounted to 97,749 dozen valued at \$27,556, of which Canada supplied 70,119 dozen valued at \$20,704. Last year 1,750,000 dozen eggs were produced in Newfoundland, valued at \$525,000. Local production is sufficient to take care of annual requirements from April to the end of November. Canadian



eggs are imported from about December 1 to the end of March, in quantities of 200 to 300 cases per month. Local eggs sell as low as 18 cents per dozen in the summer months and as high as 60 cents a dozen in the winter. There are no special regulations governing the importation of eggs into Newfoundland, but Canadian shippers should be careful to see that shipments conform strictly to Canadian export regulations, which are well known to Newfoundland importers. Firms in St. John's have complained that shipments of eggs have been received from Canada which did not grade according to Canadian government standards.

#### PRESERVED MILK

Last year Canada supplied 66.5 per cent of all tinned milk and milk powder (mainly milk foods) imported into Newfoundland, which totalled 3,318,000 pounds valued at \$230,722. Imports by principal countries of origin were as follows: Canada, 2,154,065 pounds (\$156,288); United States, 808,995 pounds (\$49,175); Holland, 207,257 pounds (\$13,113); and the United Kingdom, 121,663 pounds (\$9,815).

Evaporated milk is the largest seller, but there is also a fair demand for sweetened condensed milk and tinned cream. In addition to the principal Canadian brands there are a number of English, American and Irish condensed milks on the market. However, certain Canadian brands have by far the largest share of the trade.

In regard to evaporated unsweetened milk, the bulk of the business is shared by three Canadian manufacturers, but competing brands from United States, Danish, and Dutch factories are also established in the market.

In view of the high price of fresh milk and cream in Newfoundland, there is a good demand all the year for tinned milks, while tinned cream is also in public favour. Particulars as to brand names and current prices are on file at the Department of Trade and Commerce, Ottawa.

#### CONFECTIONERY

There is a good demand for low and medium priced confectionery in Newfoundland, particularly for chocolate bars retailing at 5 cents each. In 1926 total imports of confectionery and chewing gum were valued at \$237,839, of which Canada supplied goods valued at \$71,605 or about 30 per cent. The United Kingdom, enjoying preferential duties, was the principal supplier in all classes of confectionery.

#### CHOCOLATE

Imports of chocolate bars (classified as confectionery to be sold in bars and packages at a retail price of 5 cents) amounted to 747,947 pounds valued at \$146,563. The United Kingdom was the principal supplier, being credited with total shipments of 338,872 pounds valued at \$71,806. Of this 326,315 pounds valued at \$69,211 qualified for the preferential duty of 20 per cent and 1 cent a pound accorded to the United Kingdom. On the balance the general rate of 30 per cent and 1 cent a pound was paid.

The other supplying countries were: United States, 265,043 pounds (\$43,812); Canada, 134,583 pounds (\$28,902); Belgium, 9,125 pounds (\$1,918); and Germany, 324 pounds (\$123).

Formerly United Kingdom manufacturers specialized on a tablet of solid chocolate, but they have now followed the example of Canadian and United States makers in providing a greater variety of bars with centre filling of different compositions, although not to the same extent as American and Canadian manufacturers. They have concentrated on a few good-selling bars, principally those which are bulky in appearance. Canadian bars are said to be

smaller than United States and United Kingdom makes. Some English bars weigh as much as  $3\frac{3}{4}$  ounces, while there are one or two American bars that weigh as much as 4 ounces.

It was said that there are over 490 different bars on sale in Newfoundland at the present time. One Canadian manufacturer alone must have at least forty different bars, only ten of which may be described as good selling lines. So far as Newfoundland is concerned, Canadian manufacturers might be well advised to reduce the variety of bars to six or eight.

Chocolates in fancy boxes do not sell well owing to their high cost due to an import duty of 60 per cent. United Kingdom manufacturers, who have the benefit of a 10 per cent preference in duties, obtain the bulk of this business.

#### CHEWING GUM

The sale of chewing gum is comparatively large, considering the sale of confectionery as a whole. Imports of chewing gum last year totalled over \$24,000, of which Canada supplied more than 90 per cent. The other supplying countries were the United States and the United Kingdom.

#### ADVERTISING

The sales volume of confectionery and chewing gum depends largely on the amount of advertising undertaken. There is an import duty of 18 cents per pound on printed advertising material, so that merchants handling Canadian lines are not inclined to ask for advertising literature unless manufacturers are prepared to provide it free of charge. It would be better to use an appropriation for advertising to purchase regular space in the local newspapers in St. John's, or alternatively to allow the Newfoundland representative a certain sum to arrange regular radio programs, which cost about \$15 per half hour on a contract basis.

Confectionery is imported by jobbers who usually carry stocks and distribute to the large retail and department stores in the various towns. There are so many brands of confectionery on the market at present that it is difficult to introduce new lines.

### INDIAN MARKET FOR CANADIAN LUMBER

PAUL SYKES, CANADIAN TRADE COMMISSIONER

Calcutta, June 21, 1937.—There is a steady if somewhat limited demand for Douglas fir lumber in India. Canada has participated in the trade for many years, but has seldom secured more than a small proportion of it. The following report will summarize the present situation and offer a few suggestions which may be of value to interested Canadian firms.

#### MARKET EXTENT

Despite her own extensive resources the exploitation of which is being gradually encouraged by local authorities, India is an importer of fair quantities of lumber. Total imports of various types during the years ending March 31, 1935 and 1936, amounted in value to Rs.3,383,237 and Rs.2,782,023 respectively, or approximately \$1,300,000 and \$1,000,000. These figures show practically no variation from those of several preceding years.

Indian government statistics of lumber imports are somewhat indefinite in that the bulk of lumber imports are described as "other kinds of wood and lumber." There is nevertheless a classification for "deal and pine wood" which is of value as covering a part of the import of Douglas fir and similar woods. Figures recorded under this latter heading show import values as



having increased from Rs.452,810 in 1931-32 to Rs.720,333 in 1934-35 and Rs.754,430 (about \$280,000) in 1935-36.

There is a large but declining demand in India for teak wood. This trade formerly originated principally in Siam, but import values have fallen off to less than 10 per cent of those of five years ago, largely, it is believed, owing to competition from Burma and to that of domestic supplies. Statistics of teak-wood imports for the current fiscal year will undoubtedly show large increases owing to such trade from Burma now being classified as of foreign origin.

Imports of "other kinds of wood and timber" have shown appreciable declines in value from the totals of five years ago and in 1935-36 were recorded as being worth Rs.1,837,785 (about \$700,000) as compared with Rs.2,799,795 in 1931-32 (about \$1,000,000). This classification of lumber imports, in the absence of any specific definition, must be taken to include logs for the manufacture of match splints, veneer logs, plywood, hardwoods other than teak and jarrah, and a considerable number of other items.

For a country of India's extent and population, it is obvious that such trade as has been noted above is of the most minor proportions. The market is in some degree limited by the extensive use of concrete, and it is catered to as well by the domestic industry. It cannot be said to have been subject to any considerable cultivation by overseas suppliers of lumber and on this account is probably of less importance than it might be and generally less receptive than various other fields similar in character.

#### DOMESTIC INDUSTRY

India possesses extensive forest resources of her own and the Government maintains a Forestry Department for the purpose of utilizing these to the best advantage. The principal forest areas are in the north, Kashmir, for example, being a regular supplier of many of the requirements of the Punjab, Sind and other parts of Western India. The woods available are not in general of high quality but are adequate for use in ordinary construction and for many industrial purposes. The lumbering industry has the advantage of low labour costs, but production must be carried on at a considerable distance from the principal markets with the result that competition in the larger ports has at times been difficult and it is frequently only the cheaper grades of domestic woods that are saleable.

The Forestry Department has carried on various investigations, experiments, and publicity work with a view to increasing the demand for domestic lumber, and it appears probable that these will show beneficial results.

#### UTILIZATION OF LUMBER IN INDIA

A comparison of the uses for lumber in India and in Canada, for example, would show many important differences between the situations in the two countries. The great bulk of India's population lives in huts of bamboo, grass, leaf and mud construction, and whereas, in a temperate climate, lumber is used extensively in house construction, it is much less essential in this country where most houses, sheds and other buildings, if not of primitive construction, are of concrete, and where it is frequently only for doors and other interior fittings that wood is required. Even floors are generally of cement, marble, or terrazzo for coolness, cleanliness, and durability.

Lumber is still required, of course, by the construction industry and probably in larger amounts than for other purposes. It is essential to the railways, for shipbuilding and for the construction of wharves and jetties at the main ports and on inland waterways. The furniture industry and those engaged in the making of various household appliances, vehicles, tea chests, plywood, matches, and so on, as in most other countries, are also consumers of various types of lumber.

## IMPORT TRADE

The brief summary of the value of recent import trade, given above, indicates a degree of uncertainty as to the precise composition of India's current purchases of foreign lumber. It is nevertheless clear that there is a reasonable trade in "deal and pinewood," which has appreciated from 5,296 cubic tons valued at Rs.452,810 (\$175,000) in 1931-32 to 12,815 cubic tons valued at Rs.754,430 (\$280,000) in 1935-36. Yugoslavia is the principal supplier under this classification, followed in importance by the United States, Sweden, and Canada. The Dominion's position in 1935-36 was much more prominent than during any previous years owing, it is believed, to various difficulties experienced by shippers in the United States.

## PRINCIPAL SOURCES OF SUPPLY

Disregarding the trade in teak, sandal, jarrah, firewood, and sleepers, of which the two latter are of small importance and none of which trade is of interest to Canada, there is the loosely defined import of "other kinds of wood and timber." An examination of records of this trade reveals various apparent anomalies. The most important suppliers of such goods during the year 1935-36 were Germany, Japan, the United States, and Esthonia, these countries being credited respectively with imports valued at Rs.358,424 (\$123,000), Rs.333,216 (\$125,000), Rs.315,982 (\$117,000), and Rs.177,709 (\$65,000). Canada's contribution, by comparison, was no more than Rs.67,518 (\$25,000). The total value of imports during the same year from all countries was Rs.1,837,785 (\$680,000).

Imports of teak wood originate principally in French Indo-China and Siam, and those of sandal wood in Australia and the Straits Settlements. The total import values for these two classifications during the year under review were Rs.107,623 (\$40,000) and Rs.74,664 (\$28,000) respectively.

It is impossible to give a precise statement of the types of lumber covered by these statistical classifications but it may be said, in explanation of the above figures, that imports from Germany are believed to consist largely of wood for the manufacture of box shooks, match splints, and plywood and to comprise transhipments of logs and lumber of various kinds of Baltic and Scandinavian origin. Japan's interest in the local market is principally in supplying softwoods for the making of box shooks; Yugoslavia furnishes certain amounts of plywood and material for use in the production of tea chests and similar products. Imports from Esthonia and other Baltic and Scandinavian countries comprise similar types of lumber as well as substantial quantities of aspen logs for consumption in the match industry.

## CHIEF PORTS OF ENTRY

India's lumber import trade is largely centred in Bombay and Calcutta, although Madras and Karachi together are credited with some 20 per cent of the total quantity of recent imports. A few years ago Bombay was of greater importance in this trade than at present, but that city still controls some 40 per cent of total imports, slightly more than the volume brought into Calcutta. This situation is to a large extent a result of Bombay's superior accessibility to deep-sea shipping as well as to the fact that direct services into Calcutta are frequently not available to overseas shippers. It is still to be noted that the greater part of the lumber shipped to India from the Pacific coast is for consumption in or distribution from the Calcutta area and that this port is accordingly of outstanding interest to Canadian exporters.

It may also be noted in this regard that India's imports of lumber will show considerably increased values for the current and succeeding fiscal years following the recent separation of Burma and its establishment as an independent unit of the Empire.



## DISTRIBUTION

The importation into India of such lumber as Douglas fir planks, boards, and squares is carried on principally by several British merchant firms which maintain offices or agents in the principal ports and business centres. Some of these concerns operate their own lumber yards; others depend on local contractors, saw mills and similar concerns in so far as the holding of stocks is concerned. Almost without exception, the importers are substantial and reliable firms having varied interests. Their timber departments are necessary adjuncts to others concerned with shipbuilding and repairing, railway and government contracts, and building.

Local distribution will commonly be based on the supplying, on contract, stated quantities, grades, and sizes to such large consumers as railway or dock-yard companies or will be through the more ordinary channels provided by yards and mills to builders and similar buyers.

## GRADES, SIZES, AND PIECES

The local market for Douglas fir lumber calls for merchantable or selected merchantable grades and generally insists on as close prices as possible. It is seldom that the highest grades are wanted, while the substantial cost of shipping lumber to this market and the fairly rigorous requirements of buyers have led to an almost complete absence of business in common. Canadian firms who are unacquainted with the local situation may accordingly take it for granted that inquiries or offers are universally based on merchantable grade.

There is little variation in specifications as to sizes, the business being generally confined to 1 inch by 12 inches up to 4 inches by 12 inches, in average lengths, and to 12 inches by 12 inches (sometimes larger) squares, usually of 30-40 feet lengths. The similarity apparent in inquiries and imports is due to the restricted uses for which Canadian lumber is required, a large proportion of the planks being used as hatch covers for shipbuilding or repairs and the construction of wharves and jetties, and the squares for piling and allied purposes.

Prices in the local market normally fluctuate according to quotations from the Pacific coast. It is by no means a buyer's market except in so far as occasional competition from domestic or teak lumber is concerned.

## TARIFF

The Indian Customs Tariff provides for the collection of import duty on all imports of foreign lumber at a rate of 25 per cent ad valorem, this rate being applicable to all countries. The incidence of this tariff is a severe one, particularly in view of its being officially described as for revenue rather than protective purposes, and it may be assumed that the extensive use of iron, steel, cement, and other substitutes has been a natural result of excessive local costs as compared with normal c.i.f. prices.

## CANADA'S POSITION IN THE MARKET

Canada's position as a supplier of lumber to the Indian market is a distinctly inferior one. Over a period of five years, from April 1, 1931, to March 31, 1936, India's total imports of lumber from Canada and the United States, exclusive of firewood and manufactured wood products, were valued at Rs.1,987,091 (\$735,000), but of this amount Canada contributed no more than Rs.293,121 (\$108,000), or less than 15 per cent. There are two principal causes underlying this situation. The first is that shippers in the United States have available a direct service from Pacific Coast ports to Calcutta, whereas Canadian cargoes must be transhipped between Vancouver and main Indian ports. The other is that, according to reports from the trade in India, Canadian exporters have paid

comparatively little attention to the Indian market, whereas various exporters in the United States have made personal investigations of the situation from time to time and have in other ways sought to maintain and improve their position as suppliers of local requirements.

Given a direct shipping service from the Pacific Coast of Canada to Calcutta, there can be little doubt that the Dominion could secure a much larger share of the trade in Douglas fir lumber. This objective could also be attained if freight rates, including transshipment charges, approximated those for direct shipment, although it should be noted that transshipping frequently involves considerable damage in the case of boards of the smaller dimensions.

Contact with the market need not involve permanent personal attention by individual exporters or lumber trade associations, but there can be no doubt that periodic surveys would be of value. A further and by no means negligible aspect of the current position is that Canadian shippers may expect preferential treatment from several of the principal firms engaged in the import of lumber into India. The majority of these concerns are of British ownership and management and are normally prepared to support Canadian and other British firms and their products. Canadian lumber exporters, all things being equal, may accordingly count on the goodwill and co-operation of the import trade in this market.

#### THE OUTLOOK

For some time at least it is apparent that India will continue to require fair quantities of Douglas fir boards and squares of merchantable grade. The distinct revival throughout most domestic industries provides the basic indication of this situation, while, for example, the rebuilding of Quetta alone is an undertaking for which huge quantities of lumber will be used over a period of several years. The general shortage of raw materials in European markets has led to heavy shipments of Burma teak and other woods in response to growing demands there, and buyers in India are frequently unable to obtain stocks or are forced to accept delayed delivery, and the shortage of this material is influencing the demand for Canadian and United States supplies.

The Indian market may be of less present importance and permanent value than many other outlets for British Columbia woods, but it can still be said that much might be done to improve the volume of trade carried on during recent years.

### FOURTH INDIAN WHEAT CROP FORECAST

PAUL SYKES, CANADIAN TRADE COMMISSIONER

Calcutta, June 23, 1937.—The fourth official crop report, dealing with the present season's wheat crop, has recently been issued by the local agricultural authorities and is published in the *Indian Trade Journal* of June 17. From reports of correspondents, it is now estimated that the area sown to wheat is even less than previously indicated. This figure is now set at 32,720,000 acres, which is appreciably less than the estimate issued at the corresponding date of 1936. Earlier estimates as to average and total yield are borne out by this last report, which predicts a harvest totalling 9,623,000 tons, the Punjab being counted as yielding 3,818,000 tons of this amount and the United Provinces 2,402,000, with the remainder fairly evenly divided between other provinces and states. The anticipated total yield is some 250,000 tons in excess of last year's estimate, and the yield per acre 659 pounds as against 627.

#### EXPORT TRADE

As suggested in previous reports, India's wheat exports have shown appreciable increases during the last year, and the trend continues. Export shipments during the six months ending April 30, 1937, amounted to 134,900 tons as com-



pared with a total of 3,800 tons for the same months of the previous year, and there is every indication that the business may persist for some time. A suggestion in a report appearing on page 784 of *Commercial Intelligence Journal* No. 1736 (May 8, 1937) as to possible participation of Calcutta and Bombay in the handling of wheat exports is supported by returns showing that the tonnage of such business for the months of April and May of this year was approximately four times that of the same months in 1936. There can be no doubt, however, that India's wheat export trade will continue to be centred in the port of Karachi.

## AGRICULTURAL AND INDUSTRIAL EXHIBITIONS IN INDIA

PAUL SYKES, CANADIAN TRADE COMMISSIONER

Calcutta, June 28, 1937.—An agricultural and industrial exhibition, held in Lucknow during the early months of the present year, is to be followed by similar exhibitions at Lahore during December, 1937, and January, 1938, and at Karachi during March next. These exhibitions have been and will be organized by provincial authorities, the Lahore exhibition being designed to stimulate and extend the production and trade of the Punjab and that at Karachi to offer practical encouragement to the agricultural industry of Sind province.

In announcements regarding these exhibitions it is pointed out that they offer an unusual and valuable medium for the advertisement and sale of agricultural equipment and in fact all goods which go into more or less general consumption, and the authorities in charge undertake to co-operate with exhibitors in obtaining favourable railway freight rates, remission of duty on unsold goods, and along similar lines. They are naturally designed up to a point to extend the general knowledge, local consumption, and export of domestic products but are none the less of substantial value to overseas manufacturers and their Indian representatives.

It is almost essential that participation in such exhibitions should be based on the display of stocks or samples and, on this account, Canadian firms interested in the Indian market but not as yet represented in it may be forced to forgo the opportunity of participation. The adoption of a policy by Indian provincial governments of holding trade exhibitions may nevertheless be noted by Canadian firms as a means of introducing or extending the sale of their products in the local market.

## MARKET FOR ONIONS IN TRINIDAD, BRITISH GUIANA, AND BARBADOS

G. A. NEWMAN, ASSISTANT TRADE COMMISSIONER

Port of Spain, July 8, 1937.—With the approach of the season for the shipment of Canadian onions to British West Indian markets, a brief review of market conditions during the past three years may be of interest to Canadian shippers. The main markets for onions, in the territory served by this office, are Trinidad, British Guiana, and Barbados.

Imports of onions for the years stated into these Colonies were as follows:—

<i>Trinidad</i>				
	1935		1936	
	Bushels	\$	Bushels	\$
Total . . . . .	50,114	54,564	61,957	66,732
Argentina . . . . .	16,234	17,570	15,770	16,770
Holland . . . . .	8,637	7,027	15,284	12,043
Portugal . . . . .	11,930	16,167	11,557	15,861
Cyprus . . . . .	3,250	3,749	8,750	11,566
Canada . . . . .	7,219	6,712	6,142	6,332
Egypt . . . . .	2,668	3,135	2,910	3,152
Other countries . . . . .	176	204	1,544	1,435

In 1935 the Canadian percentage of the imports was 14.4 (compared with 3.7 in 1934); in 1936 it was 9.9.

### Barbados

	1934		1935	
	Lbs.	£	Lbs.	£
Total . . . . .	2,188,404	10,395	1,913,768	8,612
Canada . . . . .	557,812	2,650	432,863	1,948
Madeira . . . . .	608,673	2,891	410,995	1,850
Cyprus . . . . .	44,856	213	339,848	1,529
Argentina . . . . .	14,184	67	249,806	1,124
Holland . . . . .	470,567	2,235	249,012	1,121
Egypt . . . . .	402,256	1,911	211,045	950
Other countries . . . . .	90,026	448	20,199	90

In 1934 the Canadian percentage was 25.4; in 1935, 22.6.

### British Guiana

	1934		1935	
	Lbs.	\$	Lbs.	\$
Total . . . . .	1,743,107	37,669	1,814,244	40,804
Canada . . . . .	511,518	11,330	488,802	10,365
Portuguese possessions . . . .	479,991	10,686	336,280	9,475
Cyprus . . . . .	9,800	195	328,304	7,336
Egypt . . . . .	313,163	7,059	265,516	6,353
Holland . . . . .	361,600	6,656	361,974	6,337
Other countries . . . . .	67,035	1,743	33,368	938

In 1934 the Canadian percentage was 29.7; in 1935, 26.8.

The great improvement that took place in Canada's percentage of the trade in Trinidad in 1935—14.4 in place of 3.7 in 1934—was owing, in a measure, to the fact that the tariff of Trinidad in 1935 was altered from 1s. per 100 pounds preferential and 2s. per 100 pounds general (surtax on both preferential and general 10 per cent of the duty) to 15 cents per 100 pounds preferential and 90 cents general (no surtax). The rates in British Guiana remained, as at present, at 50 cents per 100 pounds preferential and \$1 per 100 pounds general (surtax on both preferential and general 30 per cent, bill of entry tax 3 per cent ad valorem); in Barbados they remained at 6d. per 100 pounds preferential and 2s. 6d. general (surtax on both preferential and general, 10 per cent of duty).

Although Madeira, Cyprus, Argentina, and Egypt are important suppliers to these markets, Dutch onions are the most important competitors to the Canadian product since they are shipped during the period October to March, while the Canadian shipping season is September to October. Madeira, Argentine, and Egyptian onions arrive on this market largely during the spring and summer months.

### QUALITY

Two important factors govern the size and quality of onions required on British West Indies markets. (1) The warm humid climate, which averages about 90 degrees in the shade throughout the year, necessitates that onions shipped to this market should be solid or "hard," and in excellent condition to withstand the long voyage in high temperatures. (2) The practice of the natives of buying in small quantities by number rather than by weight causes a demand for a 2-ounce or small onion, which can be sold at eight to the pound, and of medium onions of from 3 to 5 ounces; the latter commands a premium of about 6d. per 55-pound crate. Onions of sizes either larger or smaller than these specifications are equally unsatisfactory.

### PRICES

During the months of September and October, 1935, it was reported that Dutch onions were being sold at approximately 72 cents per 55-pound crate c.i.f. Port of Spain, and Canadian onions at approximately 85 cents per 50-



pound bag c.i.f. Port of Spain. With the preferential duty added to the Canadian price and the general duty added to the Dutch price, and bringing both to a common denominator of 56 pounds per bushel, the resulting duty paid price for Canadian onions amounted to approximately \$1 per bushel, and Dutch onions to \$1.23 per bushel.

In 1936 the price of Dutch onions was reported to be 84-85 cents per crate of 55 pounds c.i.f. Port of Spain, or a duty-paid price of about \$1.35 per 56-pound bushel. Canadian prices were about the same as in 1935.

Extending the same method of price comparison to the other markets of Barbados and British Guiana, on the basis of c.i.f. valuations given in the customs returns for 1935, it appears that for 1935 at least the margin in favour of Canadian onions was 28 cents in Barbados, Canadian duty-paid price being approximately \$1.35 per 56-pound bushel, and Dutch onions \$1.63 per bushel; and in British Guiana 20 cents per bushel in favour of Canadian onions with the Canadian duty-paid price at \$1.58 per 56-pound bushel, and Dutch at \$1.78 per bushel.

The wholesale trade is said to be willing usually to pay a premium on Dutch onions of from 12 cents to 24 cents.

### PACKING

Agents and wholesalers are agreed that Canadian shippers should make every effort to change their pack from 50-pound open mesh bags to 50- to 55-pound crates. There is a tendency for onions to deteriorate when conveyed in the open mesh bags through high temperatures. Dutch onions arrive in 25-kilo (55 pounds) wooden crates, which measure approximately 12 by 12 by 18 inches. The crates are constructed of wooden slats, top, sides, bottom, and ends, to allow for the free circulation of air. Dutch onions also arrive in 110-pound bags, but being harder than the Canadian, they seem to withstand handling to better advantage.

### TERMS OF TRADE

Onions are imported usually by commission agents working on the basis of 5 per cent commission of the c.i.f. value of the shipments, shipper guaranteeing quality. Quotations are submitted c.i.f. Port of Spain, terms 15 to 30 days, documents on acceptance. In view of the difficulties which Canadian shippers encountered on this market last season, it is questionable if the practice of guaranteeing quality is advisable.

## TRADE OF MAURITIUS IN 1935

H. W. BRIGHTON, ACTING TRADE COMMISSIONER

Cape Town, June 30, 1937.—The total area of the Colony of Mauritius is 460,800 acres, of which 37·7 per cent is under cultivation. Of this total, 139,341 acres is devoted to sugar cane, a slight increase over that of 1934. Weather conditions were exceptionally favourable during the year, and as a result, the highest crop of sugar on record was produced, amounting to 276,069 long tons. Prices, however, dropped; in 1934 the average price per bag of 110 pounds was Rs.6·06, in 1935 it was Rs.5·80.

During the year the acreage of tobacco was reduced from 982 in 1934 to 400. All the tobacco produced is consumed in the Colony. More attention was paid to cattle raising with a view to making the Colony more self-supporting, the work being directed towards improvement of beef cattle.

What industries there are in Mauritius are small. The canning industry was stagnant and the fibre industry, due to low prices, became almost non-existent.

The total volume of trade of Mauritius for the year 1935, excluding bullion and specie, amounted to Rs.57,899,775, as against Rs.54,709,156 in 1934, Rs.61,211,980 in 1933, and Rs.54,655,611 in 1932.

#### IMPORTS OF MERCHANDISE

Merchandise imports, based on the c.i.f. value, amounted to Rs.23,460,095 from British countries, and to Rs.6,358,009 from other countries, plus baggage valued at Rs.73,056 or a total of Rs.29,891,160, as compared to Rs.29,680,346 in 1934, Rs.29,035,237 in 1933, and Rs.26,992,760 in 1932.

In round figure percentages, the following table shows the total imports from the six main countries exporting to Mauritius:—

	1933	1934	1935
India . . . . .	29.0	34.1	38.0
United Kingdom . . . . .	32.5	29.0	30.6
Australia and New Zealand . . . . .	4.0	5.2	5.2
France . . . . .	5.0	4.4	4.0
Japan . . . . .	6.0	4.5	3.5
United States . . . . .	3.5	3.9	3.3

During the same years the percentages credited to Canada were 1933, 1.48; 1934, 0.84; 1935, 0.88.

The chief articles imported from the principal sources of supply were:—

*United Kingdom.*—Cotton piece-goods, ammonia sulphate, motor vehicles, soap, industrial machinery, galvanized iron sheets, paint, electric goods, woollen piece-goods, drugs, coke and manufactured fuel, cement, linseed oil, confectionery.

*Australia and New Zealand.*—Wheat flour, butter, railway ties, bran, timber.

*France.*—Wine, drugs, perfumery, wearing apparel, silk goods, olive oil, non-ferrous metals, glassware, hosiery (not silk), books, provisions, preserves, haberdashery, hats and caps, liquors, iron and steel metals.

*Japan.*—Cotton piece-goods, silk manufactures, earthenware, glassware, enamelware.

*United States.*—Gasolene, coal oil, lubricating oils, unmanufactured tobacco, electric goods, motor car accessories.

Imports from Canada were valued at Rs.255,685, principally motor cars and accessories (Rs.164,091), rubber manufactures, principally motor car tires (Rs.18,785), and preserved provisions (Rs.16,755).

#### EXPORTS OF MERCHANDISE

Exports in 1935, based on the f.o.b. value, amounted to Rs.28,008,615 compared with Rs.25,028,810 in 1934, Rs.32,176,743 in 1933, and Rs.27,662,851 in 1932.

Of the total exports, the United Kingdom absorbed over 82 per cent or Rs.24,643,009. Canada was the second largest purchaser, taking 1.15 per cent or Rs.3,445,358 (almost entirely sugar); and India third, with 0.35 per cent or Rs.1,068,556.

Of the total exports amounting to Rs.28,008,615, sugar accounted for 96 per cent or Rs.26,895,460. Copra and poonac, fibre, salted fish, preserved fruits, rum, hides and skins, and coconut oil made up the balance of domestic exports.



## BRITISH TRADE FAIR, SINGAPORE

K. F. NOBLE, ACTING TRADE COMMISSIONER

Singapore, May 16, 1937.—The British Trade Fair, held in Singapore from April 30 to May 8, was the most successful of the series.

The fair, which is now held annually, began as an "Empire Shopping Week" in 1932, emphasis being laid on advertising displays arranged by local agents. In 1933 an attempt was made to have a centralized exhibition. The fair was housed in semi-permanent quarters in 1934, with free light, power, and stall shells supplied by a Chinese amusement park.

Despite the erection of additional stalls and the elimination of the motor-car section, which had been a feature of the fair in other years, all space was taken up by March 15, and some thirty exhibitors were prevented from participating by the lack of space. The plans for 1938 provide for an increase in space of some 60 per cent, which will permit of the reintroduction of the motor-car section.

The majority of exhibits featured the products of the United Kingdom. These included piece-goods; hardware; engineering lines; office appliances; canned, bottled, and packaged food products; radios; cosmetics; spirits; beverages; soaps; cigarettes and tobacco. Canada, Australia, South Africa, New Zealand, the Irish Free State, India, and Hongkong were all represented on the stands. There was an increased variety of locally manufactured products on display, including such diversified lines as steelware, bicycles, pianos, confectionery, records, soaps, cosmetics and perfumes, biscuits, beer, aerated waters, jams, jellies, and preserved fruits. The Canadian, Australian, and South African Governments participated officially for the first time.

Included in the list of Canadian products on display, and in many cases on sale, at the Trade Fair were the products of the following companies:—

- Canadian Cannery, Ltd.—Canned soups, vegetables, catsups, etc.
- Lewis Connors & Sons Ltd.—Sardines.
- Connors Brothers Ltd.—Sardines and herrings.
- Shirriff's Ltd.—Jellies.
- Willards Chocolates Ltd.—Boxed chocolates and candy bars.
- Seafood Products Ltd.—Frozen and smoked fish.
- Champion Spark Plug Co. of Canada Ltd.—Spark plugs.
- Canada Decalcomania Co. Ltd.—Transfers.
- Libby, McNeill & Libby of Canada Ltd.—Canned and bottled goods.
- Harriet Hubbard Ayer of Canada Ltd.—Cosmetics.
- Hiram Walker & Sons Ltd.—Whisky.
- Fraser Valley Milk Producers Association—"Columbia" brand milk.
- Hart Battery Co. Ltd.—Motor car batteries.
- Catelli Food Products Ltd.—Macaroni, spaghetti, vermicelli.
- Westminster Paper Mills Ltd.—Toilet tissue.
- Federal Wire Products.—Automotive cable.
- H. W. Comstock & Co.—Proprietary medicines.
- Master Baker Flour Mills Ltd.—Macaroni products.
- Canadian Honey Products Ltd.—Honey.
- Ontario Honey Producers Co-operative Ltd.—Honey.
- Kelly, Douglas & Co. Ltd.—Jams, jellies, etc.
- Reliable Toy Co. Ltd.—Dolls.
- Birks, Crawford Ltd.—Canned mushrooms.
- Cimbria Packing Co. Ltd.—Canned mushrooms.
- Howard Smith Paper Mills Ltd.—Blotting paper.

## FOREIGN TRADE OF SARAWAK IN 1936

K. F. NOBLE, ACTING TRADE COMMISSIONER

(All values are in Straits dollars, which have a value of 57½ cents Canadian currency at present exchange.)

Singapore, June 16, 1937.—The State of Sarawak, which comprises some 50,000 square miles of territory on the northwestern shore of the Island of Borneo, has a population of 445,000, of which all but 400 are native.

With the exception of the trades in rubber and petroleum products, the products of the territory are of native origin, and comprise such items as sago flour, white and black pepper, cutch, jelutong, dammar, rattans, palm oil, and illipe nuts.

Reflecting the improved world market for rubber which has prevailed during 1936, the total trade of Sarawak has again shown an increase, being valued at \$42,819,000 (exclusive of treasure), or an increase of 13·9 per cent.

Both exports and imports have contributed to the increase—exports by 16·3 per cent and imports by 10·8 per cent. The improved export position has been largely attributable to the increased value of the rubber shipments, from \$7,693,000 in 1935 to \$11,594,000 in 1936. The increase in weight was from 335,000 to 360,000 piculs (one picul=133½ pounds). Apart from this improvement and a small increase in the value of fuel oils, sago flour, and copra, all exports decreased, with jelutong, white and black peppers, and vegetable oils seriously restricted.

Imports were valued at \$18,262,000, or an increase of \$1,777,000 on the 1935 total. Included in this total, which is shown in the statistics largely as an increase in imports from Singapore, are the following items which are of interest to Canadian manufacturers, with values for the years 1936, 1935, and 1934 respectively:—

	1936	1935	1934
	Values in Straits Dollars		
Biscuits . . . . .	\$191,289	\$127,781	\$104,050
Butter and cheese . . . . .	30,394	21,347	19,839
Confectionery . . . . .	39,313	35,030	31,645
Cycles and motor cycles and accessories . .	108,822	81,323	72,465
Cyanide . . . . .	89,550	87,108	110,111
Drugs and medicine . . . . .	210,199	194,514	177,144
Fish, dried and salted . . . . .	192,705	167,074	181,465
Fish, in tins . . . . .	82,136	68,449	61,331
Flour <sup>1</sup> . . . . .	186,286	145,602	136,588
Fruit, dried and preserved . . . . .	43,207	38,447	39,391
Fruit, in tins . . . . .	19,061	14,320	18,279
Macaroni and vermicelli . . . . .	28,136	24,843	23,710
Milk, condensed and sterilized . . . . .	446,253	351,752	321,447
Motor lorry and car . . . . .	72,539	71,305	78,499
Vegetables, in tins . . . . .	40,933	30,120	25,837
Zinc sheathing and sheeting . . . . .	24,204	15,288	5,030

<sup>1</sup> By weight, 1,854 tons in 1936, 1,578 tons in 1935, and 1,542 tons in 1934.

## ECONOMIC CONDITIONS IN DENMARK, JANUARY TO JUNE

RICHARD GREW, CANADIAN TRADE COMMISSIONER

Oslo, July 17, 1937.—The economic progress which Denmark has made during the first six months of 1937 can be considered as sporadic. The chief deterrent to a more uniform development has been the general increase of world prices in contrast with prices for the principal Danish export products such as butter, bacon, and eggs. External trade, however, has continued to expand and, in recent months, at a more accelerated pace. Shipping has been enjoying a high degree of prosperity, and the returns from that industry are becoming an increasingly important factor in maintaining the equilibrium of the balance of international payments.



While certain industries, notably textiles, leather, and building, have shown a slightly declining tendency, industrial production on the whole has continued to advance. The industries which have developed at the most rapid rate are those which are catering to export trade, such as shipbuilding and machinery. The official index figure for industrial production reached a record height of 138 in May, with 1931 equalling 100. This is an increase of 6 points over May, 1936. Industrial employment is likewise higher than last year, but this applies also to the number of unemployed, thus indicating that the increase in production cannot absorb the increased number of workers available.

#### AGRICULTURE

Agriculture has been passing through a difficult time, and has done well to hold its own in the face of the small harvest in 1936 which necessitated increased purchases of imported grains and feeding stuffs at advanced prices with no compensating increase in the prices of the chief export products. However, the outlook is considerably better than a year ago, as weather conditions have been favourable and present indications are that good crops will be harvested in practically all agricultural products. The hay has already been harvested and has yielded a bumper crop. Although seasonal influences may be an important factor, prices for export products of the farm have recently shown a firmer tendency, and this has given cause for a certain amount of optimism. As compared to the first six months of 1936, the volume of agricultural exports is somewhat larger for the six months under review.

#### FINANCE

Since the depression, the foreign-exchange situation has been one of the chief concerns of Denmark, and the variations in the foreign exchange balances held by the banks gives an indication of the trend of the external balance. During the first four months of the year the foreign exchange position grew slightly worse, but an improvement was recorded during May and June, with the result that at the end of June the foreign indebtedness of the National Bank amounted to only kroner 16,000,000.

On account of the continued tension of the foreign exchange situation, the National Bank has continued to pursue its somewhat restrictive credit policy. The effects of this policy are being felt to an increasing degree. The official bank rate remains at 4 per cent, but, generally speaking, money has become dearer, and the financing of new enterprises, especially in the building trade, has become more difficult. The actual amount of bank credit outstanding has not declined, but it has ceased to expand.

The result of this policy was that the cash reserves of the commercial banks declined to a low level during April, due to a falling off in deposits and increased loans and discounts. Since then, however, the banking situation has changed for the better, and by the end of June the cash reserves had been restored to a more normal level. This improvement in the liquidity of the banks, together with the betterment in the foreign exchange situation, has brought about a more confident outlook. It is felt that if the restrictive policy continues for any length of time, it will ultimately result in a lower rate of production—indeed, this is already evident in the building industry.

#### FOREIGN TRADE

The foreign trade returns for May, the last month for which statistics are available, continue the trend which has been evident in recent months, namely, a large increase in the value of imports, as well as an advance in the value of exports, but not to the same degree. As a result of the continued increase in

the value of imports, the adverse trade balance shows a very large increase as compared to the previous year, but as previously mentioned, the far larger returns from shipping, which have taken place during the same period, will offset the greater proportion of the increased unfavourable trade balance.

#### IMPORTS AND EXPORTS

The table below shows the total value of imports and exports, as well as the adverse balance for the first five months of 1936, as compared to the same period of the previous year.

	Imports Mill. Kr.	Exports Mill. Kr.	Adverse Balance Mill. Kr.
January-May, 1937 . . . . .	702.0	627.6	24.7
January-May, 1936 . . . . .	559.0	545.8	13.2

The large increase in the adverse balance will be largely counterbalanced by increased returns from shipping.

#### IMPORTS AND EXPORTS BY PRINCIPAL COUNTRIES

The following table shows the value of Denmark's foreign trade with the principal countries of purchase and sale, as well as comparative figures for the previous period, and the resulting increase or decrease.

	Export		Import	
	Jan.-May, 1936	Jan.-May, 1937	Jan.-May, 1936	Jan.-May, 1937
	Millions of Kroner		Millions of Kroner	
Great Britain . . . . .	295	319.0	221	281.0
Germany . . . . .	113	112.0	130	164.0
Norway . . . . .	19	29.0	16	11.0
Sweden . . . . .	35	42.0	32	36.0
Finland . . . . .	10	18.0	5	6.0
Poland . . . . .	3	5.0	9	8.0
Holland . . . . .	5	9.0	14	23.0
Belgium . . . . .	8	10.0	11	25.0
France . . . . .	9	5.0	7	8.0
Switzerland . . . . .	5	10.0	6	7.0
United States . . . . .	4	15.0	33	35.0
Canada . . . . .	0.6	0.8	0.8	1.2
Other countries . . . . .	39.4	53.2	74.2	96.8
Total . . . . .	546.0	628.0	Total 559	702.0

In so far as Canada is concerned, it is felt that these figures do not represent the actual trade, as the Danish statistics for imports are based on country of purchase. A considerable amount of Canadian grain, as well as other commodities, is purchased both in New York and in London. As a result, the imports are credited to either the United States or the United Kingdom.

From the foregoing table it will be noted that, while exports to the United Kingdom increased by kroner 24,000,000, there was a small decrease in exports to Germany. These countries are the two principal customers of Denmark.

Exports also increased appreciably to all the Scandinavian countries, which, in the case of Norway, is principally accounted for by ships. Exports to the United States also increased. Apart from Germany, the other important country to which exports decreased was France, the value being about half that of the previous five months' period.

With the exception of Norway, imports increased from all the important countries, the increase from the United Kingdom being the largest in volume, although the percentage increase from Germany was greater.



## SWITZERLAND'S TRADE WITH CANADA IN 1936

W. G. STARK, ACTING TRADE COMMISSIONER

(For ton read metric ton, which equals 2,205 pounds; one franc equals \$0.23 at present rate of exchange, though prior to devaluation on September 26, 1936, it equalled approximately \$0.33).

Rotterdam, July 6, 1937.—Trade between Canada and Switzerland increased considerably in 1936 and reached the highest level recorded since 1933.

Both imports of Canadian goods into the Confederation and shipments of Swiss merchandise to the Dominion showed gains. Greater imports of Canadian wheat were the chief contributory factor to the general advance.

### TRADE FIGURES

According to the Dominion Bureau of Statistics, the total combined value of Canadian exports to Switzerland and imports from thence amounted to \$2,993,114 in 1936 as compared with \$3,701,953 in 1935. It would thus appear that trade had declined, whereas Swiss statistics record the opposite.

In this case the figures drawn from the Swiss official trade returns present a more accurate record. Switzerland being an inland country, the greater volume of Canadian goods destined for consumpoin there is cleared for transit ports and is credited in Canadian statistics to that intermediate country. Wheat is the principal commodity affected, usually being entered as despatched to the United Kingdom (including cargoes for orders), the Netherlands, and Belgium.

Canadian figures place imports from the Confederation at \$2,582,497 during the period under review as compared with \$2,576,333 in 1935, the value thus being little changed. A glance at the comparative quarterly totals of 1935 and 1936 reveals small variation in the first period, decided gains in the following two quarters, but an abrupt decline in the last three months of the year. This decline is probably attributable to the devaluation of the Swiss franc on September 26, 1936.

### TRADE TOTALS

Total trade between the two countries was valued at 35,060,000 francs in 1936. This is an increase of approximately 70 per cent over the 1935 total of 20,619,000 francs.

Imports from Canada in 1936 were more than double those in 1935. The volume of Canadian goods entering Switzerland increased from 66,037 metric tons in 1935 to 161,552 tons in 1936, a gain of almost 145 per cent. In value, imports in 1935 totalled 12,850,000 francs; in 1936 the figure was 26,682,000 francs, an increase of about 108 per cent. Canada's share in Switzerland's total import trade advanced from 1 per cent in 1935 to 2.11 per cent in 1936.

Exports of Swiss merchandise to the Dominion also increased. As the goods exported to Canada are mostly of fair worth but small in bulk, like watch movements, the figures of weight may be set aside. Exports to Canada in 1935 totalled 7,769,000 francs; in 1936 the value was 8,378,000 francs, an increase of approximately 7.8 per cent.

### *Swiss Trade with Canada, 1932 to 1936*

Year	Imports from Canada		Exports	Total
	M. Tons	1,000 Frs.	to Canada 1,000 Frs.	Trade 1,000 Frs.
1932 . . . . .	331,436	47,731	10,809	58,540
1933 . . . . .	258,533	35,430	9,484	44,914
1934 . . . . .	93,426	15,447	7,219	22,666
1935 . . . . .	66,037	12,850	7,769	20,619
1936 . . . . .	161,552	26,682	8,378	35,060

In 1936 the visible balance of trade in favour of Canada was 18,304,000 francs (roughly \$4,209,000 at current rate) as compared with 5,081,000 francs (\$1,676,000 at the rate then prevailing) in 1935.

### NATURE OF THE BI-LATERAL TRADE

Of imports of Canadian goods into Switzerland, foodstuffs, consisting mostly of wheat, accounted for 23,987,000 francs; raw materials, mainly metals, for 2,243,000 francs; and manufactured articles for 452,000 francs. On the other hand, exports of Swiss goods to Canada consisted principally of manufactured articles most of which enter into competition without further processing. Such articles were valued at 8,151,000 francs, foodstuffs at 203,000 francs, and raw materials at 24,000 francs.

### IMPORTS FROM CANADA

Imports of wheat from Canada in 1936, which totalled 155,470 metric tons valued at 23,516,000 francs, accounted for 96.2 per cent by weight and 88 per cent by value of all imports from the Dominion. In 1935, 57,368 tons of wheat valued at 7,202,000 francs were imported.

In the past few years the wheat-buying policy of Switzerland has been influenced by factors other than competitive prices, such as the conclusion of clearing agreements and the liquidation of moneys owing, but only collectible in kind or by barter. Quotas for supplies are fixed arbitrarily, and the grain trade is not free to purchase just where it pleases. Under these conditions, imports from the Dominion had declined precipitously, falling in 1935 to 12 per cent by weight against an average of about 50 per cent in former years. In 1935 the Dominion supplied roughly 34 per cent of all wheat consumed. Imports of Canadian oats this year declined slightly compared with 1935—311,000 francs compared with 317,000 francs.

### *Imports of Cereals from Canada into Switzerland*

	1934		1935		1936	
	M. Tons	Fr. 1,000	M. Tons	Fr. 1,000	M. Tons	Fr. 1,000
Wheat . . . . .	86,880	11,071	57,368	7,202	155,470	23,516
Rye . . . . .	.....	.....	.....	.....	50	6
Oats . . . . .	1,988	232	2,524	317	2,481	311
Total cereals . . . . .	88,868	11,303	59,892	7,519	158,001	23,833
Total other products ..	4,558	4,144	6,145	5,331	3,551	2,849
Grand total.. . . .	93,426	15,447	66,037	12,850	161,552	26,682

### COMMODITIES OTHER THAN CEREALS

Commodities other than cereals imported from Canada into Switzerland in 1936 were chiefly metals and animal products. Copper and copper wire together account for more than half of these imports; raw hides and skins, aluminum, and animal hair are the only other products whose individual import value exceeded 100,000 francs (roughly \$23,000 at current rate). Rubber tubing, canned lobster, casings, lumber, and lead followed in descending order of value.

The decrease of 2,482,000 francs in imports of products other than cereals during the period under review as compared with their value in 1935 is almost entirely due to the falling off in shipments of aluminum. In 1936 arrivals of Canadian aluminum were valued at 217,000 francs as against 2,505,000 francs in 1935. No imports of nickel or zinc were effected in 1936 from Canada. Arrivals of rubber tubing, raw animal hair, and lumber decreased substantially, while imports of copper wire, tanned hides and skins, upper leather, raw wool, wallboard, and electric batteries also declined. The trade in silk stockings, which



in 1935 was cut to one-half the 1934 figure by quota and super-tariff provisions, was obliterated during 1936 by the stricter application of quota restrictions. Other products which formerly were, but no longer are, of importance, include fresh apples, unexposed films, canned salmon, sensitized paper, and sole leather.

On the other hand, there were increased imports of copper, raw hides and skins, canned lobster, dried or salted fish, grass and clover seeds, spirits (whisky), and lead. Of new commodities noted, ferro-silicon is the most important, followed by emery and platinum.

The table below records all imports in 1936 and 1935 of products, other than cereals, valued at over 1,000 francs (\$230 at current rate). The last two columns show the individual gain or loss of 1936 arrivals against those in the preceding year.

*Canadian Imports into Switzerland of all Products Other than Cereals*

Commodity	1936	1935	Increase	Decrease
	Figures in Thousands of Francs			
Total.. . . . .	2,849	5,331	....	2,482
Copper .. . . . .	832	405	427	....
Copper wire.. . . . .	765	806	....	41
Hides and skins (raw) .. . . . .	231	161	70	....
Aluminum .. . . . .	217	2,505	....	2,288
Animal hair (raw) .. . . . .	140	362	....	222
Rubber tubing .. . . . .	94	343	....	249
Canned lobster .. . . . .	69	42	27	....
Casings .. . . . .	67	69	....	2
Lumber .. . . . .	67	154	....	87
Lead .. . . . .	53 <sup>a</sup>	42	11	....
Fish, dried or salted .. . . . .	31	6	25	....
Grass and clover seed .. . . . .	29	7	22	....
Fish, fresh or frozen .. . . . .	25	23	2	....
Upper leather (box calf) .. . . . .	21	32	....	11
Spirits (whisky) .. . . . .	17	10	7	....
Asbestos and mica (raw) .. . . . .	14	12	2	....
Footwear of rubber .. . . . .	14	21	....	7
Wood-pulp, chemical .. . . . .	14	13	1	....
Ferro silica and chromium .. . . . .	13	....	13	....
Hides (tanned or curried) .. . . . .	12	30	....	18
Agricultural tools and implements	8	12	....	4
Emery (crude) .. . . . .	7	....	7	....
Platinum .. . . . .	6	....	6	....
Iron and steel articles .. . . . .	6	7	....	1
Chemicals .. . . . .	6	4	2	....
Copperware .. . . . .	6	7	....	1
Brushware .. . . . .	6	....	6	....
Wallboard .. . . . .	5	15	....	10
Precision apparatus .. . . . .	5	....	5	....
Wool (raw) .. . . . .	5	17	....	12
Toys of all kinds .. . . . .	4	13	....	9
Footwear (other than leather or rubber) .. . . . .	4	11	....	7
Tomato conserves .. . . . .	3	....	3	....
Tissues (rubber coated) .. . . . .	2	....	2	....
Woollen goods (knitted) .. . . . .	2	1	1	....
Electric batteries .. . . . .	1	9	....	8
Tools (miscellaneous) .. . . . .	1	....	1	....
Nickel .. . . . .	....	77	....	77
Silk stockings .. . . . .	....	34	....	34
Zinc .. . . . .	....	15	....	15
Sensitized paper .. . . . .	....	10	....	10
Automobile parts .. . . . .	....	8	....	8
Canned salmon .. . . . .	....	6	....	6
Fresh apples .. . . . .	....	2	....	2

Prospects for 1937 are only fair, due to the continuance of the quota system of imports, the restrictions of which cover the greater proportion of the manufactured goods which Canada otherwise might send to Switzerland. In raw materials the market appears somewhat better than at this time last year. Imports of these are advancing and industry is generally more active.

## EXPORTS TO CANADA

As already stated, Swiss exports to Canada advanced by nearly 8 per cent in 1936 to 8,378,000 francs as compared with 7,769,000 francs in 1935.

The five most important products exported by Switzerland to Canada in 1935 and 1936 were watch movements, aniline dyes, wrist watches, articles of straw and other fibres for hatters, and dynamos and transformers.

As a group, watch and watch products is the most important; taken together, these accounted for 3,406,000 francs or over 40 per cent of the total exports. With the inclusion of aniline dyes (1,812,000 francs), the chemical and pharmaceutical branch is second, accounting for 2,093,000 francs or approximately 25 per cent of total exports to Canada. Textiles as a group was in third place with 1,181,000 francs, followed by the machinery group with 784,000 francs.

The table below recapitulates the more important products exported from Switzerland to the Dominion in 1936, the commodities being ranged in descending order of value:—

*Exports of Swiss Goods to Canada in 1936*

Commodity	1,000 Fr.	Commodity	1,000 Fr.
Total . . . . .	8,378	Raw, pure and floss silk . . . . .	41
Watch movements . . . . .	2,513	Starch paste . . . . .	40
Aniline dyes . . . . .	1,812	Typewriters . . . . .	34
Wrist watches . . . . .	495	Leather footwear . . . . .	34
Articles of straw and other fibres . . . . .	297	Perfumes and cosmetics . . . . .	34
Dynamos and transformers . . . . .	250	Articles of pure and floss silk mixed with other textiles . . . . .	31
Watch parts . . . . .	200	Prints . . . . .	27
Machinery for food industry . . . . .	185	Knitted woollen goods . . . . .	25
Cheese . . . . .	184	Watch moulds . . . . .	24
Cotton lingerie . . . . .	183	Auto parts (electric) . . . . .	23
Articles of artificial silk . . . . .	162	Phonographs and cinema machines . . . . .	22
Cotton tissues . . . . .	138	Handkerchiefs, collars, etc. . . . .	21
Ribbons . . . . .	108	Sodium salts . . . . .	19
Dresses and fancy articles of cotton . . . . .	104	Lye and soap powders . . . . .	19
Pharmaceutical products . . . . .	98	Knitting machines . . . . .	19
Hats (untrimmed) . . . . .	97	Cash registers and bookkeeping machines . . . . .	19
Pocket watches . . . . .	94	Batteries (electric) . . . . .	19
Articles of artificial silk, mixed with other textiles . . . . .	93	Machinery and engines (hydraulic, gas, air) . . . . .	17
Current rectifiers . . . . .	91	Machinery and engines (steam) . . . . .	15
Engines and machinery . . . . .	79	Watch, clock and alarms, parts . . . . .	15
Chemical products for the pharmaceutical and perfumery trade . . . . .	73	Raw artificial silk (viscose) . . . . .	14
Watch cases . . . . .	65	Silk bolting gauze . . . . .	14
Curtains . . . . .	63	Haberdashery . . . . .	13
Embroideries of linen . . . . .	59	Meters (electric) . . . . .	11
Embroideries of cotton and tulle . . . . .	51	Books . . . . .	11
Articles of pure and floss silk . . . . .	51	Silk embroideries . . . . .	10
Aluminum alloys . . . . .	44		

## MARKET FOR DRIED APPLES IN THE NETHERLANDS

W. G. STARK, ASSISTANT TRADE COMMISSIONER

(One florin equals Can.\$0.55; one metric ton equals 2,205 pounds)

Rotterdam, July 13, 1937.—Prices have already been received for new-crop United States apples, which are being offered currently at the following rates in Holland:—

- Extra Choice Californian rings, new crop, re-cleaned, \$9.75-\$10.10.
- Extra Choice Californian quarters, new crop, re-cleaned, \$10.35-\$10.50.
- Extra Choice Oregon-Washington rings, re-cleaned, \$11.50-\$11.75.
- Choice Oregon-Washington rings, re-cleaned, \$11-\$11.15.
- (The above are for all-water shipment, September and October.)
- Prime New York State rings, new crop, \$9.85-\$10.
- Extra Prime New York State rings, new crop, \$10.10.
- (Shipment October to November.)

The above quotations are per 50 kilos (110 pounds) c.i.f. Rotterdam.



Some business has been done in Californian rings only. No business has been placed so far for Canadian rings (Standard N.S.): offers are above the present market.

The market has been dull and consumption small. Local stocks are practically cleared.

The apple crop in the Netherlands is fairly good and considerably better than last year. This may delay somewhat the use of imports of dried apples.

#### IMPORTS

In 1936 there were 3,362 metric tons of dried apples valued at fl.870,000, brought into Holland. Of this quantity 3,338 tons (fl.863,313) were of United States origin and 18 tons (fl.4,761) from Canada. Imports were lower than in 1935, when 3,703 tons, valued at fl.982,000, were brought in. Canada's share was larger, amounting to 124 tons (fl.28,000).

In the January-to-June period of the present year, 1,553 tons valued at fl.525,000 have entered Holland. Of these arrivals, 1,439 tons (fl.494,000) came from the United States and 103 tons (fl.28,000) from Canada. For the same six-month period of 1936 total imports were greater, amounting to 1,973 tons (fl.484,000), practically all from the United States.

#### DUTIES

Dried apples brought into Holland are subject to an import duty of 12 per cent on the c.i.f. value, plus one per cent compensatory duty. There is also an additional turnover tax of 4 per cent levied on the duty-paid value. On this is superimposed a monopoly tax of fl.4 per 100 kilos (220 pounds) net weight.

In the last year and a half several inquiries have been forwarded to Canada by this office on behalf of Netherlands importers. At the present time local dealers would like to get in touch with Dominion suppliers. Interested exporters are invited to communicate with this office, supplying prices c.i.f. Rotterdam, with details as to quantities and shipping dates and preferably supplemented by samples. If a commission is allowable to the agent, the rate should be specified.

Holland is an open market, and there are no difficulties concerning the entry of goods or transfer of eventual payments.

### ECONOMIC CONDITIONS IN CUBA

C. S. BISSETT, CANADIAN TRADE COMMISSIONER

Havana, June 30, 1937.—During the first half of the present year economic conditions in Cuba continued to show the marked improvement which characterized them in 1936. Practically all forms of commercial activity, discounting seasonal influences, showed an upward trend. Cuba's principal export product, sugar, passed through an excellent season, and tobacco similarly showed increased returns. The tourist traffic was the heaviest in the history of the island, exceeding by a substantial margin the banner year of 1929-30. Greater imports and exports as compared to the same period in the previous year bore witness to the increased purchasing power of the Cuban people. Building activity, mainly private houses, has developed into a small boom. The betterment in conditions during the past year has created a demand for houses out of all proportion to the supply. Rents accordingly have greatly increased with an attendant rise in wage and salary scales and living costs

generally. Wholesale and retail sales improved appreciably as compared to last year. Collections and the general credit situation are also in a healthier condition than they have been for some years.

### BUDGET

The proposed Budget for the fiscal year ending June 30, 1938, is as follows: revenue \$79,200,000, and expenditure \$78,856,665, leaving an expected surplus of \$343,335. Of the above estimated revenue the sum of \$2,840,000 is represented by the balance of the seigniorage, not used last year, which was obtained from the coinage of \$20,000,000 in silver. A further sum of \$6,850,000 is also included therein which, it is anticipated, will accrue from various new taxes to be imposed. However, since these figures were published some of these tax proposals have been withdrawn, and the present state of the new Budget shows a statistical deficit. It has been argued nevertheless that no such deficit will accrue, since it is stated that revenue under various heads will very likely, due to improving economic conditions, exceed the estimates. The above Budget totals for the new fiscal year just beginning compare with the following for the year just ended: revenue \$73,200,000, expenditure \$73,166,971, leaving a surplus of \$33,029. Actually, however, Government revenue up to June 26 was announced as being \$76,640,214, a noteworthy increase over the estimates. Much the greater part of this excess occurred during the first six months of the present year 1937. Funds in the Cuban treasury, as at May 15, 1937, the last statement to appear in the official gazette, were shown at \$17,428,942.

### FISCAL

Currency outstanding as at May 31 was announced at \$67,449,560. Bank clearings for the calendar year 1936 amounted to \$581,755,653 as compared to \$484,630,396 in the previous year. Those for the first five months of 1937 amounted to \$321,658,878 in comparison to \$274,592,104 for the same period last year, an increase of 17 per cent. Bank deposits as at December 31 totalled \$130,143,823, the largest sum since the close of the year 1930.

The public debt of Cuba was estimated at March 31 at \$248,712,954. This was composed of bonds of various issue dates amounting to \$138,239,380; Public Works Finance Plan \$20,473,574, and floating debt of \$90,000,000. The above total represents a debt (based on a population of 4,000,000) of \$62 per capita. Renewed payments of the Public Works Finance bonds are contemplated as soon as an agreement covering reduced interest and extended amortization period can be arranged with the bond holders.

Havana Custom House collections for the calendar year 1936 totalled \$20,607,461 as compared to \$20,375,910 in 1935. Those for the period January to May, 1937, amounted to \$9,515,326, showing a noteworthy increase over the sum of \$8,742,274 collected in the same period of 1936.

### SUGAR

Sugar is Cuba's principal crop and the economic condition of the Island depends to a very large extent upon it. National prosperity or adversity follow very closely the fortunes of this industry. It is an almost unfailing barometer of the local financial and commercial situation. Fortunately, since the institution of the quota system for sugar by the United States, combined with quotas in the free world market, the Cuban sugar industry has prospered markedly. The comparative stability of sugar has engendered the same quality in Cuban economic conditions generally.

At the present time the quota to be assigned this year to Cuba by the United States has not been decided by Congress. It is considered possible in



sugar circles that no new quota will be allotted, but that the one for last year will be renewed this season, through a renewal of the quota system, pending a revision of the Cuban-United States Trade Treaty under which it operates, or the passage of permanent legislation on the subject. Expiry of the quota system would increase the United States tariff on Cuban sugar from its present 0.9 cent per pound to 1.5 cent per pound. Cuba has been allotted the annual quota of 940,000 metric tons for the world free market, with the privilege of holding stocks in Cuba amounting to 300,000 metric tons.

The estimated production for the present season is 2,971,000 tons. Up to June 15, 1,223,443 tons had been exported to the United States and 269,264 tons to all other countries, a total of 1,492,707 tons. Of the exports to the world free market, Great Britain took 62 per cent. Local consumption is usually estimated at 150,000 tons per annum, which leaves at the above date some 1,328,000 tons for export and stocks.

### TOBACCO

The tobacco industry, the second in importance in Cuba, showed appreciably increased returns for the period January to June as compared to the same six months of last year. There has been little or no alleviation of the handicaps under which this industry labours through high customs tariff and excise duties in the principal export markets. Leaf tobacco exports increased considerably, although the decline in volume of manufactured tobacco offset in some measure the gains showed by the trade in this product.

Production for the period January to April, 1937, with comparative figures within parentheses for the same period last year, was as follows: cigars, 44,964,075 (33,747,025); cigarettes, 103,304,662 (88,763,111); cut tobacco in pounds, 42,315 (81,556).

Exports for the first half of this year were: leaf tobacco, 13,238,080 pounds valued at \$5,605,367 (11,900,722 at \$4,212,311); cigars, 18,041,847 at \$1,910,660 (22,317,153 at \$2,061,971); cigarettes, 10,624,406 at \$25,641 (12,906,978 at \$31,630); and cut tobacco, 23,967 pounds at \$12,500 (69,074 pounds at \$34,716). The total value for this half year, amounting to \$7,554,168, shows an increase of 19 per cent over the export value for the same period last year, which was \$6,340,627. Of the entire exports for this period, the United States took 56 per cent, and the United Kingdom 16 per cent.

### TOURIST TRAFFIC

The tourist trade during the past winter season was the best in the history of Cuba. Most of it originated in the United States, but other countries were also well represented proportionately. During the height of the season the average daily number of tourists amounted to 1,000. The total for the season was estimated at 172,861 as compared to 143,103 in 1935-6 and 95,569 in 1934-5. The amount of money which, it is calculated, was left in the country during the above years was \$14,670,750, \$11,784,780, and \$6,888,900 respectively.

### IMPORTS AND EXPORTS

Considerable improvement took place in Cuba's foreign trade in 1936 in both of the above branches as compared to 1935. For the calendar year the imports were valued at \$103,214,450, which was a noteworthy increase over the \$95,465,053 of the previous year. Of this amount the United States accounted for \$64,675,637 or 63 per cent; Siam for \$5,862,449 or 5.7 per cent, mostly rice; Great Britain for \$5,096,134 or 5 per cent; Germany for \$4,797,782 or 4.6 per cent; Spain for \$3,494,168; British India for \$2,807,758; and France for \$2,604,561.

Similarly, the exports advanced by 21 per cent, from \$128,022,342 in 1935 to \$154,784,864 in 1936. In this category the United States was also the most prominent country, having absorbed a value of \$121,898,787 or 79 per cent of the total. Next in importance was Great Britain with a value of \$19,881,337 or 12 per cent; France, \$2,555,898; Germany, \$2,364,363; Holland, \$1,207,456; and Spain, \$1,154,672.

The figures in both branches of trade for the first four months of 1937 show marked improvement over the corresponding period of 1936 and illustrate the consistent and continuous improvement since the end of 1934. For this period imports amounted to \$40,559,794 and exports to \$77,406,626, as compared respectively to \$35,710,436 and \$59,160,461 for the same period last year.

#### CUBAN-CANADIAN TRADE

There is a marked divergence between the statistics of trade for the calendar year 1936 issued by the statistical bureaus of Cuba and Canada respectively. The official Cuban figures show imports from Canada valued at \$979,754 and exports to Canada at \$223,089. For the same period similar figures issued at Ottawa were \$1,343,896 and \$452,357. The time-lag covering shipments made at the end of the year and the difference between the Canadian f.o.b. and the Cuban c.i.f. values are quite insufficient to account, except in small part, for this disparity. This actually is mainly due to the fact that so much of the trade between the two countries passes through the port of New York, and as a consequence the United States is shown either as the origin or the destination of goods which in reality originate in or are destined to Canada.

According to the Cuban figures, the values of the principal items imported from Canada with comparative figures for 1935 within parentheses were as follows:

Seed potatoes, \$474,086 (\$322,953); dried codfish and stockfish, \$219,439 (\$285,095); newsprint, \$115,355 (\$197,102); malt, \$38,450 (\$49,431); calcium carbide, \$19,930 (\$101,077); nickel and aluminium ingots, \$15,291 (\$468); accessories for sewing machines, \$12,696 (\$3,435); nickel and aluminium bars or sheets, \$11,467 (\$19,194); measuring instruments, \$10,078 (nil); unmanufactured pine, \$7,400 (nil); aluminium foil, \$6,018 (\$9,474); salted skate and haddock, \$5,712 (\$7,551); nickel and aluminium wire, \$5,037 (\$798); portable and fixed machines, apparatus and instruments for agriculture, \$4,315 (\$3,084); "other" dried or salted fish, \$3,332 (\$602); "other" ordinary timber, \$2,773 (\$1,978); "other" electrical apparatus, \$2,717 (\$1,591); artificial or chemical fertilizers, \$2,422 (nil); bottled whisky, \$2,086 (\$1,733); accessories for agricultural machinery, \$1,551 (\$741); paper, printed, invoices, etc., \$1,486 (\$2,284); dry colours, \$1,158 (\$260); copper, sheets or powder, \$1,148 (\$3,759); wheat flour, \$1,123 (\$44,089); and aluminium powder, \$1,011 (\$19,194). No other article imported during the year from Canada amounted to \$1,000 in value.

The total exports to Canada, as shown by the Cuban figures, are likewise considerably below the real value of this trade. There is no doubt that it is a very difficult task to record accurately the final destination of goods shipped to or through, and handled by branch houses and brokers in, an entrepot port such as New York. For that reason the Canadian figures covering imports from Cuba are much more likely to be accurate than are the official Cuban figures. These latter as given above are only about one-half of the former for the calendar year 1936. The principal export products, in accordance with the Cuban statistics, with the 1935 figures within parentheses, were as follows:—

Raw sugar, \$54,568 (\$31,681); stemmed leaf tobacco, \$53,096 (\$34,552); unstemmed leaf tobacco, \$51,548 (\$94,086); cigars, \$29,000 (\$27,231); tomatoes, \$9,484 (nil); sugar drainings, \$7,859 (nil); inverted molasses, \$6,040 (\$8,746); bottled rum, \$5,906 (\$7,283); second-hand furniture, \$2,000 (nil); sawn mahogany, \$1,125 (\$916); lithographs, \$686 (\$402); sisal, \$580 (nil). No other article amounted in value to \$500.

To illustrate the divergence in statistical records, some of the main Cuban articles imported into Canada will be quoted below, in accordance with the Canadian figures, with the Cuban figures within parentheses: fresh pineapples



\$128,678 (Cuban nil); sisal fibre, \$85,591 (\$580); tomatoes, \$32,373 (\$9,484); fresh grapefruit, \$10,899 (nil); fresh vegetables, \$2,559 (nil); and fruit pulp, \$2,415 (\$106).

For the first quarter of 1937 the trade figures in both categories show considerable gain over those for the same period of 1936, in spite of the fact that, commencing April, 1936, almost all Canadian products were assessed under the Cuban maximum tariff, which is double the minimum tariff. This latter applied previous to the above date. Imports for this period from Canada amounted to \$386,948, as compared to \$213,982 in the corresponding period last year, a gain of 81 per cent. Exports to Canada likewise increased from \$29,724 last year to \$56,873 this year, a gain of 93 per cent. However, the value of Cuban products purchased by Canadian importers from New York bond houses would considerably increase this latter amount were they known at the present time.

## FOREIGN TRADE OF EL SALVADOR

S. G. MACDONALD, ACTING TRADE COMMISSIONER

(2.50 colones equal \$1 U.S.)

Mexico City, June 25, 1937.—The foreign trade of the Republic of El Salvador has not fluctuated greatly during the past several years, although the last three have seen advances for both exports and imports over 1933, when a very low total was reached. Since 1933 there was a fairly steady upswing until 1936, when a slight recession in the trade in both directions took place. During both 1935 and 1936 El Salvador fortunately disposed of the whole of the coffee crop upon which the economy of the republic depends.

The following table of imports and exports for the past four years indicates the trade trends during that period; values are given in colones.

	Imports	Exports
1933 . . . . .	16,198,000	20,296,000
1934 . . . . .	21,488,000	24,048,000
1935 . . . . .	22,656,000	27,092,000
1936 . . . . .	20,122,000	25,251,000

## EXPORTS BY COUNTRIES

The exports of El Salvador by principal countries during the past two years were (in colones; figures for 1935 within parentheses): United States, 14,501,000 (13,085,000); Germany, 3,601,000 (3,528,000); Norway, 1,704,000 (2,501,000); Sweden, 1,423,000 (1,652,000); Puerto Barrios (free port), 875,000 (nil); France 724,000 (891,000); Denmark, 345,000 (194,000); Netherlands, 322,000 (1,073,000); Honduras, 291,000 (234,000); Great Britain, 239,000 (897,000); and Finland, 213,000 (447,000).

Canada is not specifically mentioned in the export statistics of El Salvador since the majority of purchases by the Dominion are routed through the United States and are credited to that country.

## COFFEE

The principal export commodity of El Salvador is coffee. During 1935, the last year for which complete figures are available, coffee accounted for 89 per cent of the total exports of the republic. In 1935 they exceeded those for the previous year and better prices were obtained. The value for the year was 24,228,000 colones (22,824,000 in 1934), or approximately \$9,715,200 (\$9,129,000) in United States currency.

Of the total exports of 720,956 bags (of 69 kilograms each) in 1935, the following countries made purchases as indicated: United States, 353,138 bags

(183,537 bags in 1934); Germany, 98,925 bags (208,630 bags); Norway, 77,504 bags; Sweden, 51,357 bags; Italy, 45,348 bags; Netherlands, 24,811 bags; France, 29,179 bags. Purchases made by other countries were comparatively negligible.

Exports of coffee for 1936 are estimated at 711,015 bags, a slight decrease from the previous year. Of more than 608,000 bags shipped in the first six months, the United States took some 344,000 bags or almost the equivalent of the total purchases made by that country in 1935, 90,000 bags went to Germany, 47,000 bags to Norway, and 41,000 bags to Sweden.

#### OTHER EXPORTS

Exports from El Salvador, other than coffee, include gold and silver, balsam, rice, henequen fibre, indigo, woods n.o.p., railway ties, lard, and cigars. The values, however, are relatively small and totalled only about 5 per cent of all exports in 1934 and slightly over 10 per cent in 1935.

The entire exports of gold and silver in 1935 went to the United States, with the exception of a small quantity of silver and silver coin which was purchased by the United Kingdom. The United States was also credited with most of the balsam exported during the year. Small quantities of this timber were purchased by Germany and the United Kingdom. The bulk of the rice exported was purchased by Honduras and Guatemala.

#### IMPORTS

The imports of El Salvador by principal countries during the past two years were (in colones; 1935 figures within parentheses): United States, 7,756,000 (8,701,000); Germany, 6,768,000 (5,569,000); United Kingdom, 2,241,000 (3,115,000); Denmark, 692,000 (354,000); Peru, 422,000 (489,000); France, 373,000 (672,000); Guatemala, 289,000 (376,000); Honduras, 259,000 (462,000); Spain, 247,000 (397,000); Canada, 119,000 (234,000).

Imports by commodities for 1936 are not yet available, but 1935 statistics give the following items, here listed in order of value: cotton textiles; cotton cloth known as "manta"; wood; pharmaceutical products; manufactures of iron and steel; fertilizers; hides and skins; gasoline; motor cars; sewing cotton; chemical products; artificial silk textiles; hosiery; internal combustion motors; wheat flour; cotton yarns; newsprint; and cement.

#### TRADE WITH CANADA

Although it is known that coffee and sisal fibre have been purchased by the Dominion from time to time in varying amounts, Salvadorean statistics do not list exports to Canada. Sales to Canada are made through brokerage and commission houses in the United States. Imports from Canada are listed, but the figures do not agree with those of the Dominion Bureau of Statistics, and the latter give a truer picture of the trade position between the two countries.

According to the Dominion Bureau figures for calendar years, Canada purchased goods from El Salvador to a value of \$30,122 in 1936 as compared with \$2,238 in 1935. The increase was on account of advances in the exports of sisal fibre, from \$2,238 in 1935 to \$5,958 in 1936, and of ground coffee from nil to \$24,164. Most of this coffee was sold in the Vancouver area, and prospects are fairly bright for the trade continuing in 1937.

Total Canadian exports to El Salvador in 1936 were valued at \$85,484 as compared with \$73,950 in 1935 and included: wheat, \$66,487 (\$53,672); inorganic chemicals n.o.p., \$13,753 (\$2,735); pneumatic tire casings, \$1,092 (\$163); wheat flour, \$1,052 (nil); electric apparatus, \$846 (\$1,378); and newsprint paper, \$737 (\$1,130).



**RADIO MARKET CONDITIONS IN CHINA**

H. A. SCOTT, CANADIAN TRADE COMMISSIONER

(Except where otherwise stated, values are given in Chinese standard dollars;  
one standard dollar equals Canadian \$0.30)

Shanghai, June 17, 1937.—Although commercial radio broadcasting in China dates back to 1922, it was not until about 1928 that it became firmly established. There are now over eighty broadcasting stations throughout the country, of which some thirty are located in Shanghai. The largest unit is the 75,000-watt Central broadcasting station at Nanking, built in 1928 by the Central Government. It is the only one in China capable of long-distance broadcasting, the next largest being two 10,000-watt stations. Several others range in capacity from 1,000 to 5,000 watts, and the remainder are of 500 watts and under. Broadcasting is therefore confined principally to local areas.

The Central station at Nanking is largely used by the government authorities for propaganda purposes and to a lesser extent for broadcasting amusement programs. A number of stations in other centres, and usually under provincial government control, are similarly utilized. At Shanghai, with the exception of the stations operated by the Ministry of Communications and the municipal government, all broadcasting is in the hands of privately owned enterprises.

Radio broadcasting in China is not well organized, resulting in considerable interference. Efforts are being made, however, by the Ministry of Communications at Nanking to bring all stations under closer government supervision, and it is proposed to drastically curtail the number of stations in Shanghai.

By far the largest percentage of the amusement section of the radio programs, whether state-controlled or operated by private commercial interests, consists of phonograph recordings, as good local talent is scarce. There is no nation-wide radio advertising, since the only station that could handle it is the Central station at Nanking, which does not accept such business. Apart from six foreign-operated stations in Shanghai and two in North China, which broadcast in English or some other Western language, practically all programs are in Chinese.

**IMPORTS OF RADIOS**

Values of imports of radio sets and parts into the whole of China proper during the past three years are as follows:—

	1934	1935	1936
	Gold Units	Gold Units	Gold Units
Total . . . . .	2,328.635	2,196.798	1,890.925
Germany . . . . .	155.829	170.641	201.296
Great Britain . . . . .	308.612	246.851	253.054
Japan . . . . .	260.402	507.090	290.746
Netherlands . . . . .	69.355	31.457	51.987
United States . . . . .	1,505.771	980.218	1,077.083
Other countries . . . . .	38.283	274.721	85.663
Average value of the gold unit.	U.S.\$0.66	U.S.\$0.68	U.S.\$0.67

The largest share of the business is in the hands of United States manufacturers, and complete sets comprise the bulk of the trade. Combination radio-phonographs are included in the trade returns but do not amount to more than 5 per cent of the total trade in imported sets.

**JAPANESE COMPETITION**

A considerable percentage of the trade in parts consists of cheap equipment imported from Japan, either for local assembly by firms selling radios under their own brands or by amateurs.

Radios assembled from Japanese parts as well as the complete sets coming in from Japan are much inferior to North American or European makes, the only buyers being those having low purchasing power and living chiefly in the interior districts. These radios are practically all of the tuned radio-frequency type and not super-heterodyne. Japanese radios can be purchased for as low as \$14 retail up to \$28 for three- to six-tube sets, whereas the better-known United States makes on this market cost anywhere from \$85 to \$105.

#### DOMESTIC PRODUCTION

Considering the general trend of expansion in the secondary industries of China since the inception of high tariffs a few years ago, it may be expected that sales will ultimately be confined to radios of domestic manufacture, except for a limited trade in high-priced special models. At present most of the sets made locally from imported parts sell at from \$50 to \$65, although some can be bought at considerably lower prices.

#### TYPES OF SETS IN DEMAND

The type of radio chiefly in demand in the China market is a five- to six-tube super-heterodyne table model designed for the American standard broadcast band and equipped for alternating current with transformer for voltages of 220 and 110. There is a much smaller demand for short-wave sets. Broadly speaking, there is little demand for straight console models on account of the higher freight charges and because the average Chinese home is not adapted to large articles of furniture. There is a small demand for battery sets in the interior districts, the majority of those sold having from five to eight tubes and being equipped for long-wave receptions. These retail at from \$100 to \$150.

#### DISTRIBUTION

Shanghai's share in the import trade in radio sets has been reduced from 90·7 per cent of total Chinese radio imports in 1934 to 79·2 per cent in 1935 and 76·5 per cent in 1936. Sales are made in Shanghai through branch establishments of foreign manufacturers, or through importers acting as main distributing agents for Chinese dealers. Very few of these carry any appreciable stocks. Apart from the evil of price-cutting, the placing of consignment stocks with retailers frequently results in serious financial losses.

### STABILIZATION OF THE CANTON DOLLAR

#### V. E. DUCLOS, CANADIAN TRADE COMMISSIONER

Hongkong, June 28, 1937.—On June 21 the announcement was made by Mr. T. V. Soong, former Finance Minister of China and member of the Standing Economic Council, that the Canton dollar would be henceforth linked to the Chinese national dollar at a fixed rate of 144 to 100.

The edict issued by the Kwangtung Government declares that steps will be taken to withdraw all Canton notes from circulation before January 1, 1938. These notes were issued jointly by the Kwangtung Provincial Bank and the Canton Municipal Bank against a silver reserve of 64 per cent, following upon the demonetization of silver in the province of Kwangtung on November 7, 1935 (see *Commercial Intelligence Journal* No. 1663: December 14, 1935, page 1056).

The redemption of the Canton notes will be undertaken by the three Central Government banks, namely, the Central Bank of China, the Bank of China, and the Bank of Communications, and the loss to the Central Government in



making this adjustment in the exchange rate is estimated to be in the neighbourhood of \$20,000,000 national currency.

This change in fiscal policy did not come as a complete surprise, having been anticipated for several months subsequent to the visit to Canton of members of the Central Government about one year ago. The financial conditions were such at that time that recommendations were put forward for the formulation of a two-point program: firstly, the stabilization of the currency in terms of national dollars in order to bring the price structure of the Province of Kwangtung into line with North and Central China; and, secondly, the replacement of Canton notes with national currency.

Reports received from Canton indicate that the Government's action has met with general approval, although the complications accompanying the change-over will naturally result in a certain confusion, particularly in respect to the readjustment of prices and the payment of salaries.

#### CONTROL OF EXCHANGE

At the present time a measure of control is being enforced in connection with transactions in foreign currencies, and all applications for sales or purchases must be directed through one of the Government banks. This regulation has been designed to curtail speculation and at the same time ensure that there is not a sudden outflow of capital from the province. It is the Government's policy to encourage the retention of deposits in national currency rather than in Hongkong currency, and it has already been announced that the latter unit will cease to be legal tender in Canton as from September 1, 1937.

The full effects of the reorganization in the monetary situation in Kwangtung will not be felt for some time, but it is apparent that the greater measure of financial stability afforded by the adoption of national currency will result in a freer movement of trade between North and South China, and the increase in the purchasing power of the population should be favourably reflected in the volume of foreign imports.

#### EXCHANGE OF NOTES BETWEEN CANADA AND FRANCE

An exchange of Notes between Canada and France was effected in Paris on July 31, 1937, under which Canada is accorded some new concessions in the French market. The most important of these are additional quotas for lead and zinc. Although France is obliged to import a considerable quantity of lead and zinc, these materials are entered under quota, by which the sources of supply are proportioned among different countries.

In 1936 Canada supplied about 2,800 metric tons of lead out of total imports of 100,000 metric tons. Canada received a small share of the market due to small imports from Canada during the year upon which the quota proportions are based. By the new agreement Canada receives a supplementary quota of 5,000 metric tons, which should bring total imports from Canada for this year to nearly 8,000 tons, or 8 per cent instead of 3 per cent of the market.

For zinc the new agreement provides for an additional quota of 2,000 metric tons. France imported only 914 tons from Canada in 1936. Total imports into France were 27,000 tons, of which 50 per cent came from Belgium, whose industry is closely affiliated to that in France.

#### NEW OR ADDITIONAL QUOTAS

Including the foregoing lead and zinc quotas, new or additional quotas accorded to Canada for 1937 are as follows.

Item No.		Quota Met. Quintals
36	Cheese . . . . .	2% of total
Ex 158 C	Tomato juice . . . . .	500
Ex 222	Lead . . . . .	50,000
Ex 224	Zinc . . . . .	20,000
Ex 522	Mowers . . . . .	500
	Unspecified agricultural machinery . . . . .	500
524 bis G	Wireless telegraph and telephone apparatus, except tubes . . . . .	90
579 bis I	Unspecified manufactures of aluminium . . . . .	18
620 O	Rubber hygienic goods . . . . .	5
Ex 620 bis A	Asbestos manufactures: paper or cardboard . . . . .	40

The quotas on lead, zinc, and agricultural machinery are supplementary to those already accorded to Canada.

Granted in a different form is the increased quota on cheese. By the Additional Protocol of February 26, 1935, to the Trade Agreement between Canada and France, Canada was guaranteed a quota equal to 1.2 per cent of total imports under quota from all countries. By the new Exchange of Notes this proportion has been raised to 2 per cent. Thus, in a full year, France has so far imported under the quota system a total of 80,000 metric quintals of cheese, of which Canada has supplied 960 quintals. If the present amounts continue to be imported Canada will therefore have 1,600 quintals or 640 quintals more than previously.

#### OTHER CONCESSIONS

Other concessions accorded to Canada are the minimum tariff, instead of the general, on the following goods:—

Item No.		General Tariff Francs	Minimum Tariff Francs
Ex 16B	Calf's brains . . . . .per 100 kgs.	288.00	144.00
35 quater	Milk, condensed, with addition of less than 42 per cent of sugar:		
	Liquid or in paste . . . . .per 100 kgs.	201.00	100.50
	Solid . . . . .per 100 kgs.	221.40	110.70
	Same, with addition of from 42 per cent to 50 per cent of sugar:		
	Liquid or in paste . . . . .per 100 kgs.	235.80	117.90
	Solid . . . . .per 100 kgs.	256.40	128.20
	Same, with addition of 50 per cent or more of sugar . . . . .per 100 kgs.	348.60	174.30
0136	Artificial carbonate of magnesia . . . . .per 100 kgs.	269.20	67.30
0169	Oxides of uranium . . . . .per 100 kgs.	2380.00	595.00
Ex 0381	Tellurium . . . . .ad val.	77.2%	19.3%
428 bis	Incandescent mantles impregnated with solutions of certain metals (thorium, cerium, etc.) per 1,000	1280.80	320.20
Ex 526 quin D	Heaters and cookers for gas, and their detached parts . . . . .per 100 kgs.	840.00	210.00
	Fireplaces for gas . . . . .per 100 kgs.	980.00	245.00
	Heaters for alcohol in which the proportion of copper is 25 per cent or over . . . . .per 100 kgs.	1162.80	290.70
	Other heaters, cookers and fireplaces, for alcohol per 100 kgs.	315.20	78.80
Ex 574	Lamp burners and gas burners of copper, pure or alloyed (other than for acetylene) and component parts . . . . .per 100 kgs.	2248.80	562.20
579 bis I	Manufactures of aluminum, not specified in the tariff . . . . .per kg.	35.00	8.75

Canada agreed to surrender former quotas on motor cars, electric stoves, and vacuum cleaners.

A second Exchange of Notes of the same date as the foregoing provides that the French circulation tax (increased from 6 per cent to 8 per cent on July 12, 1937), will not be taken into account in calculating the value of French goods imported into Canada when at the same stage and under similar sale conditions this tax is not collected in French territory.

The two foregoing Exchanges of Notes are to become effective as from August 9, 1937.



## CANNED SALMON

A third Exchange of Notes affects the import of canned salmon into France. Instead of quota certificates being issued to exporters by Canadian Government officials in Canada, import licences are to be issued to importers in France by the French Government. These licences are to be allocated by quarterly periods, account being taken of seasonal variations in French consumption. In each of the first and second quarters 26 per cent of the licences are to be issued and in each of the third and fourth quarters, 24 per cent. Shipments of canned salmon on leaving Canada must be accompanied by a certificate of origin of the normal type duly visé by the French Consul, who may see to it that the regularity of exports is assured, due account being taken of French interests. The salmon must also be accompanied by a certificate testifying to good condition of the goods delivered by the competent Canadian authorities. This last Exchange of Notes is to come into force on January 1, 1938.

## TARIFF CHANGES AND CUSTOMS REGULATIONS

## British India

## TARIFF ON NEWSPRINT

Mr. Paul Sykes, Canadian Trade Commissioner, Calcutta, India, advises that a notification issued by the Collector of Customs, Calcutta, effective July 10, 1937, changes the tariff on printing paper containing mechanical wood-pulp amounting to not less than 70 per cent of fibre content from an ad valorem to a specific basis as follows: (a) newsprint in reels unglazed formerly dutiable at 25 per cent ad valorem is now dutiable at  $1\frac{1}{2}$  rupees per 112 pounds (50 cents per 100 pounds); and newsprint other sorts formerly dutiable at 25 per cent ad valorem on a fixed valuation of 1 anna and 2 pies per pound is now dutiable at the rate of  $1\frac{3}{4}$  rupees per 112 pounds (58 cents per 100 pounds).

Mr. Sykes advises that in theory the rate of duty on newsprint paper is to remain at 25 per cent ad valorem, but that the duty will be collected on a specific basis. He estimates that at a price of \$60 per ton of 2,240 pounds the rate of duty hitherto enforced has been about Canadian \$0.75 per cwt. (112 pounds) and is now about Canadian \$0.55 per cwt.

A rupee (16 annas) equals Canadian \$0.37 $\frac{1}{2}$  at prevailing exchange rates. One anna equals 12 pies.

## Ceylon

## EXTENSION OF PREFERENTIAL TARIFF

With reference to the notice in *Commercial Intelligence Journal* No. 1722 (January 30, 1937), page 150, Mr. Paul Sykes, Canadian Trade Commissioner, Calcutta, cables under date July 26 that he is "officially informed Ceylon will extend preferential tariff four months from August 1." Since January 31, 1936, the preference had already been extended for three periods of six months by State Council resolutions. The preferential tariff of Ceylon is applicable to Canada.

## Australia

## REVISED LEAFLET ON PREFERENTIAL TARIFF REGULATIONS

Amendments have recently been made to the Australian regulations respecting articles deemed, for preferential tariff purposes, to be "not commercially produced or manufactured in Australia" and consequently admissible under the British preferential tariff if having 25 per cent Canadian and/or Australian content. The list of such articles is given in Appendix "C" of mimeographed Leaflet No. 3E, published by the Foreign Tariffs Division, Department of Trade and Commerce, Ottawa. A revised edition of this leaflet has been issued and copies may be had on application to the Department.

## Cuba

### SEED POTATO REGULATIONS

Mr. C. S. Bissett, Canadian Trade Commissioner in Havana, writes under date July 12, 1937, that Cuban Customs Circular No. 59, dated July 3, 1937, adds the variety "Kathadin" to those varieties of whole seed potatoes which to date have been permitted to enter Cuba free of customs duty, for seed purposes. The varieties at present accorded free tariff treatment are as follows: "Bliss Triumph," "Green Mountain," "Irish Cobbler," "Presidente" (Never Rot), and "Kathadin."

## El Salvador

### TARIFF CHANGES

Mr. S. G. MacDonald, Acting Trade Commissioner at Mexico City, advises under date July 6, 1937, that by decrees new additions to and changes in the Salvadorean tariff have been made. Vulcanized fibre in sheet, slab, block, and any other manufactured form, and celluloid in the same forms, are new items and are dutiable at \$20 and \$30 United States currency per 100 kilos respectively. Bathroom equipment of earthenware or porcelain and other bathroom equipment of metal covered with any other substances such as enamel are now admitted duty free.

## Guatemala

### DOCUMENTATION REGULATIONS

Mr. S. G. MacDonald, Acting Trade Commissioner at Mexico City, advises that amendments to Guatemalan documentation regulations were made effective by a decree of June 18, 1937. Certificates of origin which do not contain proper consular legalization, and not written in Spanish with respect to the name of the merchandise and the declaration of the Chamber of Commerce and/or, in the case of Canada, the Canadian Manufacturers Association, authorized to issue these certificates, and the date and signature of the representative of the Chamber of Commerce or the Canadian Manufacturers Association, shall be considered as not having been presented and a heavy surcharge of duty shall be levied against the goods. Any other deficiency in the certificates of origin shall cause a fine of 10 per cent of the customs duty to be levied. Any substantial errors in the details respecting the authorization of the Chamber of Commerce or the Canadian Manufacturers Association and which alter the nature of the articles or the place of origin or shipment, shall invalidate the certificates. Fines are also provided for omission or incorrectness of required details in commercial invoices and bills of lading. (Previous advice regarding amendments in Guatemalan documentation requirements was published in *Commercial Intelligence Journals* No. 1742, June 19, 1937, page 1129; and No. 1744, July 3, 1937, page 42.)

**Canadian Manufacturers and Exporters are strongly advised to file all numbers of the "Commercial Intelligence Journal" for future reference, and to bind them with the Index at the end of each half year.**



## FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING AUG. 2, 1937

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, August 2, and for the week ending Monday, July 26, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending July 26	Nominal Quotations in Montreal Week ending Aug. 2	Official Bank Rate
Austria . . . . .	Schilling	.1407	\$ .1881	\$ .1884	3½
Belgium . . . . .	Belga	.1001	.1684	.1684	2
Bulgaria . . . . .	Lev	.0072	.0129	.0128	6
Czechoslovakia . . . . .	Krone	.0296	.0349	.0349	3
Denmark . . . . .	Krone	.2680	.2223	.2224	4
Finland . . . . .	Markka	.0252	.0220	.0220	4
France . . . . .	Franc	.0392	.0374	.0375	5
Germany . . . . .	Reichsmark	.2382	.4025	.4024	4
Great Britain . . . . .	Pound	4.8666	4.9787	4.9809	2
Greece . . . . .	Drachma	.0130	.0091	.0091	6
Holland . . . . .	Guilder	.4020	.5522	.5511	2
*Hungary . . . . .	Pengo	.1749	.2955	.2956	4
Italy . . . . .	Lira	.0526	.0526	.0526	4½
Jugo-Slavia . . . . .	Dinar	.0176	.0231	.0231	5
Norway . . . . .	Krone	.2680	.2501	.2502	4
Poland . . . . .	Zloty	.1122	.1890	.1893	5
Portugal . . . . .	Escudo	.0442	.0450	.0451	4½
Roumania . . . . .	Leu	.0060	.0073	.0073	4½
Spain . . . . .	Peseta	.1930	.2566	.2568	5
Sweden . . . . .	Krona	.2680	.2297	.2297	2½
Switzerland . . . . .	Franc	.1930	.2297	.2297	1½
United States . . . . .	Dollar	1.0000	1.0000	1.0003	1½
Mexico . . . . .	Peso	.4985	.2775	.2276	4-5
Cuba . . . . .	Peso	1.0000	.9992	.9995	—
Guadeloupe . . . . .	Franc	.0392	.0374	.0375	—
Jamaica . . . . .	Pound	4.8666	4.9887	4.9909	—
Martinique . . . . .	Franc	.0392	.0374	.0375	—
Other British West Indies	Dollar	1.0138	1.0372	1.0377	—
Argentina . . . . .	Peso (Paper)	.4245	.3318	.3319	3½
	Unofficial		.3010	.3011	—
Brazil . . . . .	Milreis (Paper)	.1196	.0873	.0873	—
British Guiana . . . . .	Dollar	1.0138	.0667	.0670	—
Chile . . . . .	Peso	.1217	1.0372	1.0377	—
	Unofficial		.0517	.0517	4½-6
Colombia . . . . .	Peso	.9733	.0417	.0417	—
Peru . . . . .	Sol	.2800	.5699	.5701	4
Venezuela . . . . .	Bolivar	.1930	.2600	.2601	6
Uruguay . . . . .	Peso	1.0342	.3137	.3138	—
South Africa . . . . .	Pound	4.8666	.7937	.7930	—
Egypt . . . . .	Pound (100 Piastres)	4.9431	4.9725	4.9747	3½
China (Shanghai) . . . . .	Dollar	.....	5.1000	5.0116	—
Hongkong . . . . .	Dollar	.....	.2944	.2946	—
India . . . . .	Ruppee	.3650	.3041	.3066	—
Japan . . . . .	Yen	.4985	.3758	.3759	3
Java . . . . .	Guilder	.4020	.2896	.2898	2.92
Siam . . . . .	Baht (Tical)	.4424	.5529	.5521	—
Straits Settlements . . . . .	Dollar	.5678	.4563	.4565	—
Australia . . . . .	Pound	4.8666	.5839	.5841	—
New Zealand . . . . .	Pound	4.8666	3.9825	3.9846	3
	Unofficial:		4.0159	4.0169	2
			.....	.1978	—

The Dominion Bureau of Statistics has supplied the following note:—

Trading in foreign exchanges was reported comparatively quiet during the week ended August 3 with most leading currencies firm to higher as the week closed. Spot francs moved up and the discounts on futures were reduced. This was attributed chiefly to reports that the scope of the French Stabilization Fund had been extended to include forward as well as spot francs. Shipments of gold from England to New York were resumed latterly but the margin of profit was small. It was intimated that British and American exchange funds had agreed to maintain the price of gold temporarily in the neighbourhood of United States Treasury quotations. The French franc at Montreal rose from 3.73 cents on the 24th to 3.74 cents on the 26th, and had again advanced to 3.75 cents by the 29th. The pound sterling ranged between \$4.97 and \$4.98 during the week. The premium on American funds remained at 0.03 of 1 per cent.

## TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

### Secretary, Board of Trade—

Saint John, N.B.  
Halifax, N.S.  
Quebec, P.Q.  
Montreal, P.Q.  
Toronto, Ont.

Chatham, Ont.  
Kitchener, Ont.  
Stratford, Ont.  
Woodstock, Ont.  
St. Mary's, Ont.

Portage la Prairie, Man.  
St. Boniface, Man.  
Winnipeg, Man.  
Vancouver, B.C.  
New Westminster, B.C.

### Secretary, Chamber of Commerce—

Sherbrooke, P.Q.  
Kingston, Ont.  
Oshawa, Ont.

Belleville, Ont.  
Peterborough, Ont.  
London, Ont.

Hamilton, Ont.  
Victoria, B.C.  
Prince Rupert, B.C.

Border Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

### Secretary, Canadian Manufacturers Association—

Toronto, Ont.  
Montreal, P.Q.

Winnipeg, Man.  
Edmonton, Alta.

Vancouver, B.C.  
Victoria, B.C.

The Maritime Provinces Trade Commissioner, 122 Federal Building, Toronto, Ont.

The Bureau of Provincial Information, Victoria, B.C.

**Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.**

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Foodstuffs—</b>			
Flour.....	527	La Paz, Bolivia.....	Purchase and/or Agency.
Canned Salmon.....	528	La Paz, Bolivia.....	Purchase and/or Agency.
<b>Miscellaneous—</b>			
Bone Glue.....	529	Basle, Switzerland.....	Purchase.
Leather and Suede.....	530	Mexico City, Mexico.....	Purchase and Agency.
Paper Boards (Boxboard, Cardboard, etc.)	531	Calcutta, India.....	Purchase and Agency.
Wall or Ceiling Boards (for South Africa).	532	Birmingham, England.....	Purchase and/or Agency.
Doors and Windows (for South Africa).	533	Birmingham, England.....	Purchase and/or Agency.
Lumber (Douglas Fir).....	534	La Paz, Bolivia.....	Agency.
Mild Steel (Sheets, Bars and Angles) (for South Africa).	535	Birmingham, England.....	Purchase and/or Agency.
Bright Steel Nuts.....	536	Birmingham, England.....	Purchase and Agency.
Tinned Mattress Wire.....	537	Birmingham, England.....	Purchase.
Calcium Citrate (for United Kingdom).	538	New York, U.S.A.....	Purchase.



## PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

### From Montreal

*To Liverpool.*—Duchess of York, Aug. 11; Montrose, Aug. 17; Duchess of Bedford, Aug. 22; Duchess of Atholl, Aug. 27—all Canadian Pacific; Andania, Aug. 13; Antonia, Aug. 27—both Cunard-White Star Line; a steamer, Fjell Line, Aug. 9.

*To London.*—Beaverford, Aug. 13; Beavertale, Aug. 20; Beaverbrae, Aug. 27—all Canadian Pacific; Alaunia, Aug. 13; Ansonia, Aug. 20; Ascania, Aug. 27—all Cunard-White Star Line.

*To London, Antwerp and Rotterdam.*—A steamer, Fjell Line, August.

*To Manchester.*—Manchester Citizen, Aug. 12; Manchester Regiment, Aug. 19; Manchester Commerce, Aug. 26—all Manchester Line; a steamer, Fjell Line, Aug. 9.

*To Southampton.*—Duchess of Richmond, Canadian Pacific, Aug. 25.

*To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—Bristol City, Aug. 14; Boston City, Aug. 30—both Bristol City and Dominion Lines; Norwegian, Cunard-Donaldson and Dominion Lines, Aug. 21.

*To Glasgow.*—Sulairia, Aug. 13; Athenia, Aug. 20; Delilian, Aug. 27—all Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Cairnross (calls at Dundee), Aug. 18; Cairnvalona, Aug. 25—both Cairn-Thomson Line.

*To Aberdeen and Hull.*—Kelso, Ellerman's Wilson Line, Aug. 14.

*To Dublin and Belfast.*—Dunaff Head, Aug. 12; Melmore Head, Aug. 24—both Head Line (cargo accepted for Cork).

*To Antwerp and Havre.*—Beaverford, Aug. 13; Beavertale, Aug. 20—both Canadian Pacific (do not call at Havre); August, Aug. 15; Brant County, Aug. 25—both County Line.

*To Rotterdam.*—Grey County, County Line, Aug. 18.

*To Hamburg and Bremen.*—Frankfurt, North German Lloyd Line, Aug. 20; Beaverbrae (does not call at Bremen), Canadian Pacific, Aug. 27.

*To Copenhagen, Gothenburg and Baltic Ports.*—Ragnhildsholm, Swedish-America-Mexico Line, Aug. 25.

*To Norwegian Ports.*—Ideford, Norwegian-American Line, Aug. 14.

*To Marseilles, Genoa, Naples, Messina, Palermo, Lisbon and Leghorn.*—Capo Lena, Aug. 13; Capo Olmo, Aug. 31—both Capo Line.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Lillehorn (does not call at St. Pierre), Aug. 13; Magnhild, Aug. 24; Eikhaug (does not call at St. Pierre), Sept. 9—all Shaw SS. Co.; Belle Isle, Newfoundland-Canada SS. Co., Aug. 13.

*To Corner Brook, Nfld.*—New Northland, Aug. 16; North Voyageur, Aug. 22—both Clarke SS. Co.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Colborne (calls at Guadeloupe and Martinique if sufficient cargo offered), Canadian National, Aug. 19.

*To Hamilton (Bermuda), Nassau (Bahamas), Kingston (Jamaica) and Belize (British Honduras).*—Cavelier (does not call at Hamilton or Nassau), Aug. 13; Lady Somers, Aug. 18; Cathcart (does not call at Hamilton or Nassau), Aug. 27—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer, Ocean Dominion SS. Corp., Aug. 13 and 27.

*To Brisbane, Sydney and Melbourne.*—City of Canberra (calls at Adelaide if sufficient inducement offers), Montreal-Australia-New Zealand Line, Aug. 28.

*To Auckland, Wellington, Lyttleton, Dunedin and Bluff.*—Port Nicholson, Montreal-Australia-New Zealand Line, Aug. 22.

*To Sierra Leone, Walvis Bay, Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques and Beira.*—Mattawin, Aug. 25; Eboe (does not call at Sierra Leone, Walvis Bay, Lourenco Marques or Beira), Sept. 10—both Elder Dempster Lines Ltd.

*To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Singapore, Madras, Rangoon and Calcutta.*—City of Sydney, Aug. 15; City of Auckland, Aug. 30; City of Guilford, Sept. 15—all Canada-India Service.

*To Belawan Deli, Penang, Port Swettenham, Singapore, Batavia, Cheribon, Samarang, Soerabaya and Macassar.*—Kota Radja, Aug. 14; Tabian, Sept. 10—both Java-New York-Blue Funnel Line.

*To Manila, Hongkong, Shanghai and Dairen.*—City of Christchurch, Ellerman & Bucknell SS. Co., Sept. 2.

*To Rio de Janeiro, Santos and Buenos Aires.*—Goviken, International Freighting Corp., Aug. 14; a steamer, Gardiaz Line, Aug. 24.

### From Quebec

*To Southampton.*—Empress of Britain, Canadian Pacific, Aug. 14 and 28.

## From Saint John

*To London.*—Trentino, Ellerman's Wilson Line, Aug. 12; Magdapur, Anchor Brocklebank Line, Aug. 14.

*To Aberdeen and Newcastle.*—Trentino, Ellerman's Wilson Line, Aug. 12.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Nelson, Canadian National, Aug. 18.

*To Kingston and Jamaican Outports.*—Crawford Ellis, Aug. 13; Harboe Jensen, Aug. 20—both United Fruit Company (cargo accepted for transhipment to Central and South American ports).

## From Halifax

*To Liverpool.*—Nova Scotia, Aug. 17; Newfoundland, Sept. 4—both Furness Line; Manchester Exporter, Manchester Line, Sept. 11.

*To London, Hamburg, Hull, Leith and Dundee.*—Lehigh, Aug. 13; Artigas, Aug. 27—both American Hampton Roads.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Kongshaug, Newfoundland-Canada SS. Ltd., Aug. 9; Fort Amherst, Aug. 9; Fort Townsend, Aug. 16—both Furness-Red Cross Line; Portia (does not call at St. Pierre), Newfoundland Ry. and SS. Co., Aug. 11; Nova Scotia, Aug. 17; Newfoundland, Sept. 4—both Furness Line.

*To Kingston (Jamaica) and Belize (British Honduras).*—Cavelier, Aug. 16; Cathcart, Aug. 30—both Canadian National.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Drake, Aug. 12; Lady Nelson, Aug. 26—both Canadian National.

*To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer, Ocean Dominion SS. Corp., Aug. 18.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Cornwallis, Aug. 9; Colborne, Aug. 23—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Bermuda, West Indies, and Demerara.*—A steamer, Pickford & Black Ltd., Aug. 18.

*To Santiago (Cuba) and Kingston (Jamaica).*—Kirsten B, Aug. 11; Ciss, Aug. 25—both Pickford & Black Ltd.

*To Yokohama, Kobe, Shanghai, Hongkong, Manila, Cebu and Java.*—Javanese Prince, Furness Prince Line, Aug. 16; Silvercedar, Silver Line, Sept. 5.

## From Vancouver

*To Yokohama, Kobe and Osaka.*—Hikawa Maru, Aug. 14; Hiye Maru, Aug. 28; Heian Maru, Sept. 11—all Nippon Yusen Kaisha.

*To Yokohama, Kobe, Shanghai, Hongkong and Manila.*—Empress of Russia (calls Nagasaki), Aug. 19; Empress of Japan (calls Honolulu), Sept. 4; Empress of Asia (calls Nagasaki), Sept. 18—all Canadian Pacific; Talthybius, Aug. 21; Tyndareus, Sept. 18—both Blue Funnel Line (call at Miike but not at Manila).

*To Manila, Iloilo, Cebu, Sourabaya, Samarang, Batavia, Singapore, Port Swettenham, Belawan Deli, Colombo and Bombay.*—Djambi, Sept. 2; Tosari, Oct. 1—both Silver-Java Pacific Line.

*To Honolulu, Suva, Auckland and Sydney.*—Aorangi, Aug. 31; Niagara, Sept. 29—both Canadian-Australasian Line.

*To Papeete, Auckland, Wellington, Lyttleton, Dunedin, Melbourne and Sydney.*—Limerick, Aug. 24; Waiotapu (does not call at Wellington or Melbourne), Sept. 27—both Canadian-Australasian Line.

*To Wellington, Port Huon, Beauty Point, Melbourne and Sydney.*—Anglo Canadian, Canadian-Australasian Line, Sept. 20.

*To London, Liverpool and Rotterdam.*—Delftdyk (calls at Glasgow), Aug. 21; Lochgoil, Sept. 4; Lochmonar (calls at Glasgow), Sept. 18—all North Pacific Coast Line.

*To Antwerp, Hamburg and Bremen.*—Schwaben, Aug. 17; Elbe, Sept. 1; Weser, Oct. 6—all North German Lloyd Line; Portland, Aug. 14; Vancouver, Aug. 25; Oakland, Sept. 19—all Hamburg-American Line.

*To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.*—Wyoming, Empire Shipping Co. Ltd., Aug. 10.

*To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.*—Chisone, Empire Shipping Co., Aug. 16.

*To Port of Spain (Trinidad) and Bridgetown (Barbados).*—A steamer, Canadian Transport Co., August.

*To Kingston (Jamaica).*—A steamer, Canadian Transport Co., August.

*To Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques, Beira, Colombo, Calcutta and Madras.*—Manoeran, Sept. 4; Silverwillow, Oct. 5—both Silver-Java Pacific Line.

*To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.*—Evanger, Aug. 31; Brandanger, Sept. 30—both Empire Shipping Co.



# COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

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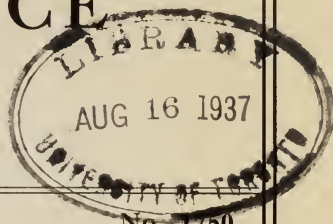
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# COMMERCIAL INTELLIGENCE JOURNAL



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No. 1750



British Columbia Douglas Fir being unloaded at the Erie Basin,  
Brooklyn, N.Y.

ISSUED BY AUTHORITY OF  
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE  
JAMES G. PARMELEE, DEPUTY MINISTER

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Vol. LVII

Ottawa, August 14, 1937

No. 1750

## CONDITIONS IN THE UNITED KINGDOM

FREDERIC HUDD, CHIEF CANADIAN TRADE COMMISSIONER IN THE  
UNITED KINGDOM

### DOMESTIC TRADE SITUATION

London, July 15, 1937.—At the end of the half year trade and industry in the United Kingdom continue to make good progress on a wide front. The *Economist* general index of business activity, based upon a figure of 100 in 1935, rose in May to 112, a record level. Fundamental factors which govern prosperity, taken in conjunction with the Government's rearmament program, seem to assure a sufficiency of employment and satisfactory profits for some time to come.

While these favourable indications prevail, one or two adverse influences have recently been evident which have tended to restrain over-optimism. First of all, the European situation has occasioned anxiety. International currency difficulties have also become apparent, although these have been largely disposed of as the result of co-operation between the United Kingdom, United States, and French Governments. Some amount of uncertainty has been aroused through the rapid advance in prices and the fear of labour troubles, while the Government's original new taxation proposals had a temporarily depressing effect, particularly upon the stock market. The latter, in fact, which is the most sensitive of all markets, does not yet appear to have recovered from the setback experienced some months ago.

### EMPLOYMENT

The employment situation showed a highly satisfactory improvement during the second quarter of the year. At the end of June the number of insured persons in employment in Great Britain, exclusive of persons within the Agricultural Scheme, was approximately 11,517,000. This was 130,000 more than in the previous month and 584,000 more than a year ago.

The number of unemployed persons on the registers of the Ministry of Labour was 1,356,598. This was less than the number on May 24 by 94,732, and 346,078 less than on June 22, 1936.

The Minister of Labour, commenting on these figures, stated that the returns are even better than they appear because of the growth of population and the absorption of a great many more people than were in the employable figure five years ago. The peak of unemployment was reached in January, 1933, when the total was 2,993,000, or more than double the present number. The minister added that the under-currents indicate that the percentage of unemployment among insured workers to-day, namely 10.7, would be less by this time next year. All the principal industries have shared in the reduction.

## IRON AND STEEL

The iron and steel situation is, as might be expected, very encouraging. The increases in the prices of basic iron and steel goods which were approved by the Import Duties Advisory Committee and came into force on May 1 for a period of eight months, seem to have had no effect on the volume of orders. The capacity of existing plants is strained to the utmost and what difficulties there are consist of shortage of raw materials and delays in executing orders.

The production of pig iron in May amounted to 696,300 tons compared with 680,700 tons in April and 661,000 tons in May, 1936. The production of steel ingots and castings in May amounted to 1,047,300 tons compared with 1,080,400 tons in April and 963,000 tons in May, 1936. The report of the Import Duties Advisory Committee on the present position and future development of the iron and steel industry, which has just been issued, states that the policy pursued by the State since 1932 has contributed materially to rehabilitating the industry and to put it on a profit-making basis. It has also assisted the promotion of a comprehensive organization capable of exercising a powerful influence on the conduct of the industry as a whole and able to negotiate on equal terms with its foreign competitors.

The problem is to secure the systematic planning of the industry and the maintenance and development of internal co-ordination and co-operation with the aid of a tariff and with the continuance of international agreements, while at the same time avoiding the evils of monopoly, safeguarding the public interest, and fostering efficiency. The committee recommend that the iron and steel industry, through its representative associations of manufacturers, should be encouraged to work out its own organization and to frame its own policy in co-operation with some body representing the Government.

## BUILDING

Building activity has been well maintained, but at the time of writing there are indications both of a rise in prices and of a possible falling off in new work, at least in some directions. As is known, the unprecedented amount of construction which has taken place during the last few years has contributed materially to recovery. The Ministry of Labour collects monthly returns from 146 local authorities of the estimated value of buildings of all kinds for which plans are approved. The total figure declined by about 25 per cent in May, 1937, compared with May, 1936. In so far as rising prices are holding up building, a joint committee representing the Ministry of Labour and the building trade has been formed to evolve a scheme for the most economical use of labour and materials.

## OTHER INDUSTRIES

The output of coal is being well sustained. The demand for industrial qualities is, in some cases, in excess of the immediate supply.

The engineering trades in general, including the electrical and automobile branches, are enjoying exceedingly active conditions and signs point to further expansion.

The textile industries, which remained under a cloud while business generally was reviving, are gaining ground.

In chemicals there is a greater production than at any time in the history of this country.

In shipping also there is a brighter outlook than for some time past. The gradual improvement in international trade has resulted in firm freight rates, and while at the present time the market is relatively dull, the general background is regarded as favourable.



## PRICES

The price index compiled by the *Times* showed that at the end of June the general level of wholesale prices was 22·9 per cent higher than a year ago. In the food section the biggest increase was in cereals, and in raw materials the advance took place in all departments. The following table summarizes the position:—

	June 29, 1936	June 29, 1937	Increase Per Cent on June, 1936
Cereals .. . . .	88.7	124.7	+ 40.6
Meat and fish .. . . .	114.7	120.2	+ 4.8
Other food .. . . .	114.0	123.2	+ 8.1
Total food .. . . .	106.2	122.7	+ 15.5
Iron and steel .. . . .	123.0	160.6	+ 30.6
Other metals and minerals .. . . .	89.8	118.8	+ 32.3
Cotton .. . . .	104.3	121.4	+ 16.4
Other textiles .. . . .	93.7	137.8	+ 47.1
Other materials .. . . .	115.0	129.3	+ 12.4
Total materials .. . . .	105.1	133.7	+ 27.2
Total all commodities .. . . .	105.5	129.7	+ 22.9

## FINANCE

In recent weeks discussion in financial circles has centred around the gold policy of the Government. Exceptional quantities of gold have been unloaded in the London market, a large proportion of which represented accumulations of hoarders who feared a possible reduction in the price of the metal.

The bulk of this gold was bought for the Exchange Equalization Account, and subsequently the Government took powers by Act of Parliament to increase this fund from £350,000,000 to £550,000,000. This decision was generally welcomed.

Until the gold standard is again functioning and complete confidence in currencies in all countries is restored, the movement of large amounts of money from one country to another is a problem to be reckoned with. Such transfers tend to disturb the stability of the exchanges, and while these conditions last the continuance and strengthening of the exchange equalization policy are indispensable to the maintenance of favourable conditions for international trade.

## STOCK MARKETS

As has already been mentioned, in contrast to the general trend, the stock markets have failed to recover from the relapse of February.

The fall in security prices has been attributed chiefly to the creation of unsound positions following rapid and prolonged rises, to the taxation proposals of the Government, and to the uncertainties connected with gold and the fear of devaluation. The *Financial News* index of thirty ordinary shares has declined from a high point of 124·9 last November to 111·4. This fall has coincided with appreciable increases in the earnings of practically all undertakings. In May the results of 255 public companies engaged in various branches of activity showed an aggregate gain over last year of no less than 14·09 per cent.

The technical position of the market is now strong, and if the confidence of investors returns an upward movement is possible later in the year.

## OVERSEAS TRADE

The advance in the external trade of the United Kingdom has fortunately been just as pronounced as the expansion in domestic trade. The situation is

definitely more healthy than it was a year ago. Then imports were increasing, while exports remained stationary. During the first six months of 1937 exports have kept pace with imports, and while, owing to the preponderance of imports, the visible adverse balance of trade is mounting, the rate of growth has slowed down. The recovery in the prices of primary products has obviously stimulated the purchasing ability of those countries which produce raw materials, and is resulting in a better demand in such markets for United Kingdom goods.

The following table gives the total value of Britain's overseas commerce by imports, exports, and re-exports during the first six months of the year, and shows the increases registered in every branch in comparison with the same period in 1936:—

	Six Months ended June		Increase	
	1937	1936	Value	Per Cent
Imports . . . . .	£483,422,060	£402,619,393	£80,802,667	20.6
Exports . . . . .	251,214,245	207,890,449	43,323,796	20.8
Re-exports . . . . .	40,553,348	32,406,959	8,146,389	25.1

The apparent adverse balance in respect to exchanges of merchandise for the six months was £191,654,000 as compared with £162,322,000, a rise of some £29,332,000. If this tendency continues at the same rate until the end of the year, the increase will amount to some £60,000,000. It is impossible to estimate to what extent the items which constitute the "invisible exports" have expanded to compensate for this growth in the excess of imports. There is no doubt, however, that the money spent here by Coronation visitors will show a considerable increase in the returns from tourists; while shipping earnings, and the income from overseas investments, are almost certain to make larger contributions to the national income than in 1936.

#### IMPORTS

Total imports during the six months were £80,802,667 greater than in 1936. Part of this rise may be attributed to higher prices, but the actual volume of goods has also expanded.

Raw materials, in which prices have shown the steepest advance, increased by £32,712,739 to £152,656,803, or 27.5 per cent on the half-year. Receipts of raw wool went up by £6,040,548, wood and timber by £5,406,493, raw cotton by £5,364,589, non-ferrous ores and scrap by £2,945,137, and hides and skins by £2,915,422. All commodity divisions in the list, in fact, showed increases, with the exception of raw silk.

Imports of wholly manufactured goods were valued at £128,949,639, which represented a rise of £28,029,168, or 28 per cent. No less than £11,091,758 of this advance was due to heavier purchases of non-ferrous metals and manufactures, a striking result of the activity in rearmament. Oils and fats contributed £5,472,568, and machinery £3,024,999, to the expansion in this group.

In the "food, drink, and tobacco" section imports amounted to £199,139,775 as against £179,303,918 in the first six months of 1936, the percentage increase being 10.6. A noteworthy feature was a growth of £12,703,646, or 41 per cent, in the value of imports of grain and flour, the cause being chiefly the recovery in prices. All other categories showed better results than a year ago, excepting fresh fruits and vegetables, which declined by £1,436,044.

#### EXPORTS

The total increase in exports was £43,323,796. Of this amount £33,117,986 was credited to "wholly manufactured goods," in which the percentage growth, as compared with last year, was 24. The most prominent groups which shared in this revival were iron and steel, in which the increase was £6,118,150; cotton manufactures, £4,730,049; locomotives, ships, and aircraft, £3,529,215; machinery, £3,052,990; and woollens, £2,337,191.



Export trade has always played an important part in the economy of the United Kingdom, and the President of the Board of Trade has repeatedly urged that manufacturers should not devote themselves entirely to the insistent demands of the home market to the neglect of overseas orders. The ability of British industry to respond to the improved opportunities in overseas markets has therefore evoked general approval.

The following table summarizes the half-year's trade by main groups:—

TABLE OF IMPORTS, EXPORTS, AND RE-EXPORTS, ACCORDING TO THE BOARD OF TRADE CLASSIFICATION, DURING THE SIX MONTHS ENDED JUNE 30, 1936 AND 1937

(a) Imports

	Jan.-June, 1936	Jan.-June, 1937
Food, drink and tobacco . . . . .	£179,303,918	£199,139,775
Raw materials and articles mainly unmanufactured ..	119,944,064	152,656,803
Articles wholly or mainly manufactured . . . . .	100,920,471	128,949,639
Animals, not for food . . . . .	863,909	1,250,518
Parcel post . . . . .	1,587,031	1,425,325
Total . . . . .	£402,619,393	£483,422,060

(b) Exports of Produce and Manufactures of the United Kingdom

	Jan.-June, 1936	Jan.-June, 1937
Food, drink and tobacco . . . . .	£ 15,986,383	£ 18,171,360
Raw materials and articles mainly unmanufactured..	24,259,314	32,015,481
Articles wholly or mainly manufactured . . . . .	161,912,938	195,030,924
Animals, not for food . . . . .	435,707	342,956
Parcel post . . . . .	5,296,107	5,653,524
Total . . . . .	£207,890,449	£251,214,245

(c) Exports of Foreign and Colonial Merchandise

	Jan.-June, 1936	Jan.-June, 1937
Food, drink and tobacco . . . . .	£ 5,711,157	£ 6,248,947
Raw materials and articles mainly unmanufactured ..	17,952,578	23,096,136
Articles wholly or mainly manufactured..	8,614,484	10,969,317
Animals, not for food . . . . .	128,740	238,948
Total . . . . .	£ 32,406,959	£ 40,553,348

IMPORTS FROM CANADA

The statistical report of the Board of Trade for the month of June gives details of the external transactions of the United Kingdom in the leading products which are imported and exported, and it is possible to review the position with regard to the chief items in which Canada is interested.

*Wheat.*—The wheat position is remarkable for the effect which increased prices have exercised on results, for although quantities are down, values are much greater. Total imports fell from 49,999,301 cwts. in the first six months of 1936 to 47,875,002 cwts., but values rose from £17,141,901 to £24,553,792. Canada's share declined from 27,147,938 cwts. to 17,861,965 cwts., the values being £9,539,562 and £10,014,835 respectively. The only other feature of interest was the return of Argentina into the market. Arrivals from that country were 15,267,082 cwts. as compared with 643,297 cwts. in the corresponding period of last year.

*Barley.*—The quantity of barley brought in (7,066,035 cwts.) showed practically no change. Canada's contribution was 63,460 cwts. against 897,800 cwts. a year ago.

*Oats.*—Total consignments of oats were reduced from 853,483 cwts. to 584,458 cwts. Canada is the chief supplier; her contribution dropped from 834,880 cwts. to 467,715 cwts.

*Flour.*—The flour import trade is steady. Total imports were 4,536,927 cwts. Canada, which leads the list, furnished 1,990,415 cwts. Both figures showed no variation from last year's returns.

*Rolled Oats.*—Canada provides practically all the rolled oats brought in; during the six months her trade fell to 166,760 cwts. from 216,826 cwts.

*Cattle.*—A sharp contraction was apparent in landings of cattle from the Dominion. In the first half of 1936, 13,055 animals valued at £221,234 were entered. The figure this year was 2,671 (£48,662). The Irish Free State sent 324,815 head against 310,723 head.

*Bacon and Hams.*—A further and satisfactory growth in the Canadian bacon trade is evident. The quantity entered from the Dominion in the January-June period was 769,810 cwts. as compared with 488,178 cwts., a rise of more than 57 per cent. As the business in foreign bacon is regulated by quotas, there was little change in the general position. Total imports this year were 3,506,510 cwts., of which Denmark supplied almost exactly half.

In hams also the Dominion made progress, providing 168,445 cwts. out of 337,267 cwts., against 131,806 cwts. out of 322,147 cwts. in the six months' period in 1936.

*Cheese.*—Cheese imports, at 1,315,180 cwts., were unaltered on the six months. The same applies to Canadian shipments, which amounted to 74,430 cwts. New Zealand was credited with 980,299 cwts.

*Apples.*—Britain's purchases of apples from all sources were on a smaller scale, the total of 2,525,219 cwts. comparing with 3,738,890 cwts. Arrivals from Canada fell from 872,800 cwts. to 464,474 cwts.

*Canned Salmon.*—Mainly due to heavier supplies from Japan, the total imports of canned salmon went up from 219,578 cwts. valued at £827,088 to 392,108 cwts. valued at £1,352,021. Deliveries from Canada increased from 66,652 cwts. (£297,976) in the first half of 1936 to 75,483 cwts. (£264,020).

*Lard.*—Canada continues to make headway in the imports of lard. The Dominion's share of the trade in the half-year was 163,665 cwts., an increase of 38,172 cwts. Total imports fell to 731,793 cwts. from 806,305 cwts.

*Leaf Tobacco.*—At the end of the six months Britain had imported 63,554,890 pounds (£4,111,851) of leaf tobacco. This was substantially less than in the corresponding period of 1936, when the figures were 95,156,300 pounds (£5,688,693). In the stript classification Canada's shipments (637,512 pounds) represented an improvement of 65,980 pounds. In unstript Canada's imports (6,551,426 pounds) showed a reduction of 178,408 pounds.

*Wood and Timber.*—Canada derived material benefit from the greater consumption and higher prices of lumber. The most important item in the Dominion's trade is sawn softwoods, imports of which during the six months (158,017 standards valued at £2,219,338) were more than 38 per cent above last year's figures on a volume basis. Planed softwoods from the Dominion increased by 75 per cent, and wooden sleepers by 145 per cent in quantity.

*Metals.*—Activity in the non-ferrous metal market was well sustained. From the Canadian point of view the outstanding item was the large increase in receipts from the Dominion of aluminium in ingots, etc., which at 164,271 cwts. were nearly three times as great as in the previous year. Expansion also took place in Canadian consignments of copper rods and nickel. Against this there was a drop in Canada's share of zinc imports.

*Manufactures of Wood.*—Canadian manufacturers of woodenware, including builders' woodwork, etc., have made rapid progress in this market in recent years. A slight recession in imports from Canada took place during the six months, shipments being valued at £544,299 against £590,768 last year. The



total trade was about the same. Canada remains the second largest supplier, Finland being the chief source.

*Rubber Footwear.*—The exceptionally wet weather experienced during the early months of this year created a good demand for rubber footwear. Total imports of rubber boots were 68,848 dozen pairs, compared with 47,049 dozen pairs in the first half of 1936. Consignments from Canada were 65,419 dozen pairs against 46,009 dozen pairs.

In rubber shoes of the ankle variety—i.e. tennis shoes, etc.—entries from the Dominion fell from 172,897 dozen pairs to 103,798 dozen pairs. Hongkong contributed 304,584 dozen pairs, an increase over last year of 67,777 dozen pairs.

*Leather.*—A decrease from 23,900 cwts. to 17,490 cwts. took place in total importations of box and willow calf. Canada suffered a loss of 1,551 cwts., her share being reduced to 3,419 cwts. The patent leather trade was unchanged. Canada sold 5,095 cwts. here during the six months.

*Newsprint.*—There is a rising tendency in newsprint imports. Total receipts, 3,835,560 cwts., were up by 5 per cent. Deliveries from Canada were 1,332,618 cwts. against 1,114,250 cwts. last year.

*Paper Boards, etc.*—There was also an expansion in aggregate imports of cardboard and millboard. The quantity landed during the six months was 1,548,120 cwts., an increase of 266,005 cwts. Canada's contribution fell to 196,540 cwts. from 214,845 cwts.

#### IMPORTS OF CERTAIN PRODUCTS, MAINLY AGRICULTURAL, INTO THE UNITED KINGDOM DURING THE SIX MONTHS ENDED JUNE 30, 1936 AND 1937

	1936		1937	
	Quantity Cwts.	Value £	Quantity Cwts.	Value £
Wheat—				
Total imports . . . . .	49,999,301	17,141,901	47,875,002	24,553,792
Canada . . . . .	27,147,938	9,539,562	17,861,965	10,014,835
Argentina . . . . .	643,297	213,055	15,267,082	7,102,573
Australia . . . . .	14,874,454	5,234,320	10,889,604	5,564,408
United States . . . . .	.....	.....	10	5
Soviet Union . . . . .	167,306	55,771	.....	.....
Barley—				
Total imports . . . . .	6,982,038	1,754,950	7,066,035	2,727,245
Canada . . . . .	897,800	230,373	63,460	26,474
United States . . . . .	1,406,013	468,286	527,759	274,242
Argentina . . . . .	80,713	17,373	991,304	350,563
Soviet Union . . . . .	1,479,950	305,544	.....	.....
Oats—				
Total imports . . . . .	853,483	216,025	584,458	229,917
Canada . . . . .	834,380	210,024	467,715	183,950
Wheat meal and flour—				
Total imports . . . . .	4,431,810	1,932,688	4,536,927	2,823,674
Canada . . . . .	1,994,348	1,012,657	1,990,415	1,385,910
Australia . . . . .	1,299,602	532,876	1,813,370	1,074,753
United States . . . . .	34,648	21,685	36,834	26,552
Oat products (including groats and rolled oats)—				
Total imports . . . . .	217,174	242,731	168,064	205,109
Canada . . . . .	216,826	242,478	166,760	204,312
Foreign countries . . . . .	331	227	745	553
Bacon—				
Total imports . . . . .	3,225,687	13,077,885	3,506,510	14,170,473
Canada . . . . .	488,178	1,868,492	769,810	2,946,546
Denmark . . . . .	1,715,726	7,410,559	1,700,234	7,310,939
Poland . . . . .	204,283	786,295	216,870	850,833
Netherlands . . . . .	243,088	998,195	255,254	1,051,996
Sweden . . . . .	125,945	511,827	130,826	535,833
Hams—				
Total imports . . . . .	322,147	1,420,431	337,267	1,530,204
Canada . . . . .	131,806	588,344	168,445	778,010
United States . . . . .	158,336	710,766	145,215	659,402
Cattle—	Number		Number	
Total imports . . . . .	323,778	2,601,075	327,486	2,977,518
Canada . . . . .	13,055	221,234	2,671	48,662
Irish Free State . . . . .	310,723	2,379,841	324,815	2,928,856

IMPORTS OF CERTAIN PRODUCTS, MAINLY AGRICULTURAL, INTO THE UNITED KINGDOM DURING THE SIX MONTHS ENDED JUNE 30, 1936 AND 1937—*Continued*

	1936		1937	
	Quantity Cwts.	Value £	Quantity Cwts.	Value £
Cheese—				
Total imports . . . . .	1,312,054	3,529,745	1,315,180	3,841,958
Canada . . . . .	74,426	213,056	74,430	260,646
New Zealand . . . . .	1,031,987	2,761,373	980,299	2,875,720
Apples, raw—				
Total imports . . . . .	3,738,896	3,928,755	2,525,219	2,655,350
Canada . . . . .	872,800	767,459	464,474	390,084
United States . . . . .	981,351	944,902	440,755	457,158
Australia . . . . .	1,464,128	1,675,295	1,300,260	1,422,177
Pears, raw—				
Total imports . . . . .	619,096	766,375	573,090	717,863
Canada . . . . .	3,202	4,001	2,010	2,646
United States . . . . .	81,638	95,774	55,914	71,390
Australia . . . . .	224,020	294,203	281,578	349,791
Union of South Africa . . . . .	188,874	219,122	140,188	179,109
Fish, fresh or frozen (not of British taking)—				
Total imports . . . . .	1,100,761	1,432,766	1,036,616	1,534,637
Canada . . . . .	44,283	153,989	49,355	167,994
Norway . . . . .	528,084	403,877	497,784	521,004
Denmark . . . . .	138,379	262,298	139,259	281,798
Irish Free State . . . . .	29,240	202,133	17,924	114,405
Canned salmon—				
Total imports . . . . .	219,578	827,088	392,108	1,352,021
Canada . . . . .	66,652	297,976	75,483	264,020
United States . . . . .	96,231	390,682	128,220	494,940
Soviet Union . . . . .	811	2,506	4,403	15,550
Japan . . . . .	55,207	132,506	183,791	576,002
Canned lobster—				
Total imports . . . . .	6,675	92,305	6,375	88,464
Canada . . . . .	5,679	81,686	5,783	80,920
Lard—				
Total imports . . . . .	806,305	2,033,147	731,793	2,189,667
Canada . . . . .	125,493	337,404	163,665	527,500
United States . . . . .	332,043	864,387	269,041	810,700
Tobacco, unmanufactured, if stripped—	Lbs.		Lbs.	
Total imports . . . . .	10,282,917	530,123	13,917,346	901,762
Canada . . . . .	571,532	37,458	637,512	35,532
Nyasaland . . . . .	310,285	13,787	270,537	11,096
Southern Rhodesia . . . . .	161,177	6,598	252,598	9,918
British India . . . . .	5,294,920	183,256	6,066,545	259,158
United States . . . . .	3,547,577	269,876	6,411,785	570,002
Tobacco, unmanufactured, if unstripped—				
Total imports . . . . .	94,873,383	5,158,570	49,637,544	3,210,089
Canada . . . . .	6,729,834	419,419	6,551,426	429,309
Nyasaland . . . . .	534,760	22,908	140,296	6,410
Southern Rhodesia . . . . .	1,066,114	47,225	2,173,417	104,407
British India . . . . .	375,274	16,218	445,349	17,822
United States . . . . .	72,553,186	4,433,596	37,365,245	2,423,431
Aluminium and aluminium alloys—	Cwts.		Cwts.	
Total imports . . . . .	113,714	517,559	245,947	1,105,197
Canada . . . . .	62,461	290,119	164,271	746,186
Switzerland . . . . .	38,985	173,677	44,479	196,735
Copper, electrolytic, unwrought—	Tons		Tons	
Total imports . . . . .	72,637	2,925,409	80,501	5,115,586
Canada . . . . .	43,841	1,758,357	43,054	2,692,025
United States . . . . .	9,776	396,238	20,190	1,302,157
Australia . . . . .	1,651	65,716	.....	.....
Pig lead—				
Total imports . . . . .	176,610	2,874,807	173,255	4,739,537
Canada . . . . .	44,055	723,705	47,012	1,311,355
Australia . . . . .	100,177	1,633,712	83,230	2,264,927
Nickel—	Cwts.		Cwts.	
Total imports . . . . .	131,726	1,262,181	146,290	1,304,177
Canada . . . . .	111,581	1,069,492	120,099	1,065,096
Zinc or spelter, unwrought—	Tons		Tons	
Total imports . . . . .	80,162	1,291,621	84,692	2,132,884
Canada . . . . .	50,812	815,746	32,710	800,882
Australia . . . . .	11,978	193,012	7,344	191,634



# IMPORTS OF CERTAIN PRODUCTS, MAINLY AGRICULTURAL, INTO THE UNITED KINGDOM DURING THE SIX MONTHS ENDED JUNE 30, 1936 AND 1937—*Concluded*

	1936		1937	
	Quantity Cwts.	Value £	Quantity Cwts.	Value £
<b>Leather, dressed, box and willow calf—</b>				
Total imports .. . . .	23,900	851,504	17,490	634,625
Canada .. . . .	5,070	242,973	3,419	174,901
Germany .. . . .	5,777	206,177	3,654	103,307
Netherlands .. . . .	2,414	97,550	968	44,074
Hungary .. . . .	3,223	105,846	1,283	43,093
<b>Leather, patent, varnished, japanned and enamelled—</b>				
Total imports .. . . .	6,336	168,972	6,555	216,115
Canada .. . . .	4,770	124,963	5,095	163,519
United States .. . . .	680	20,316	932	34,456
Germany .. . . .	256	8,745	124	6,890
<b>Motor cars—</b>	Number		Number	
Total imports .. . . .	6,531	1,206,440	9,798	1,373,275
Canada .. . . .	1,433	327,488	1,229	298,559
United States .. . . .	4,712	816,679	4,190	771,779
France .. . . .	242	22,424	510	37,226
<b>Rubber boots and shoes (not made to cover the ankle)—</b>				
Total imports .. . . .	Doz. Pcs.		Doz. Pcs.	
Canada .. . . .	447,720	361,154	434,202	299,405
Hongkong .. . . .	172,897	188,510	103,798	117,320
United States .. . . .	236,807	135,674	304,584	144,349
<b>Rubber boots and shoes (made to cover the ankle)—</b>				
Total imports .. . . .	47,049	124,541	68,848	178,618
Canada .. . . .	46,009	121,040	65,419	172,266
<b>Newsprint in rolls—</b>	Cwts.		Cwts.	
Total imports .. . . .	3,606,602	1,645,308	3,835,560	1,631,871
Canada .. . . .	1,114,250	509,019	1,332,618	561,970
Newfoundland .. . . .	1,389,924	683,208	1,349,541	590,933
Finland .. . . .	714,961	295,599	780,847	323,657
Norway .. . . .	184,771	78,646	204,477	87,631
Sweden .. . . .	197,741	76,561	157,098	62,042
<b>Cardboard and millboard (other than wallboards)—</b>				
Total imports .. . . .	1,282,115	887,627	1,548,120	1,075,481
Canada .. . . .	214,845	147,251	196,540	141,533
Germany .. . . .	253,647	201,385	298,043	235,372
Sweden .. . . .	281,145	203,961	378,761	276,663
Finland .. . . .	311,754	160,936	405,616	220,396
<b>Wood and timber, sawn, hard, not planed or dressed—</b>	1,000 Cub. Ft.		1,000 Cub. Ft.	
Total imports .. . . .	9,444	1,270,552	11,337	1,605,841
Canada .. . . .	2,261	220,531	2,690	289,239
Poland .. . . .	869	104,606	1,014	123,918
United States .. . . .	2,902	447,614	3,015	513,312
<b>Wood and timber, sawn, soft, not planed or dressed—</b>	Standards		Standards	
Total imports .. . . .	567,161	6,168,214	616,815	8,636,140
Canada .. . . .	114,545	1,427,966	158,017	2,219,338
Soviet Union .. . . .	60,516	655,605	80,687	1,258,386
Finland .. . . .	136,574	1,305,941	86,112	1,098,046
Sweden .. . . .	95,235	903,531	71,981	964,062
Poland .. . . .	94,277	878,764	105,211	1,365,132
United States .. . . .	25,231	590,501	21,255	548,544
<b>Wood and timber, sawn, soft, planed or dressed—</b>				
Total imports .. . . .	123,147	1,529,116	128,721	2,037,359
Canada .. . . .	34,995	412,395	60,627	868,584
Sweden .. . . .	52,100	655,837	40,435	687,916
Finland .. . . .	17,694	203,217	10,324	168,504
<b>Railway sleepers of all kinds—</b>				
Total imports .. . . .	26,407	278,153	43,576	600,746
Canada .. . . .	3,798	40,771	9,347	107,965
Soviet Union .. . . .	6,564	56,375	6,610	74,556
Latvia .. . . .	4,297	48,516	7,852	113,784
Poland .. . . .	10,253	116,251	16,574	253,262
<b>Manufactures of wood and timber—</b>				
Total imports .. . . .		3,727,771		3,860,518
Canada .. . . .		590,768		544,299
Finland .. . . .		770,389		870,991
Soviet Union .. . . .		473,462		496,162
<b>Pulp of wood, mechanical, wet—</b>	Tons		Tons	
Total imports .. . . .	600,439	1,317,772	323,912	1,526,539
Canada .. . . .	6,638	15,407	5,116	17,900
Sweden .. . . .	153,489	346,861	96,065	446,167
Finland .. . . .	234,147	498,727	99,584	451,139
Norway .. . . .	197,400	439,272	120,834	599,088

## BRITISH EXPORTS TO CANADA

The following table, which has been compiled from the Board of Trade report for June, gives as far as practicable details of the total exports during the first six months of 1936 and 1937 respectively of those commodities of which Canada takes important quantities from the United Kingdom. These figures are shown in conjunction with the actual amounts exported to Canada.

With the exception of coal, of which Canada took a smaller tonnage than last year, very satisfactory increases are evident throughout the list. In most items values only are available.

	1936		1937	
	Quantity Tons	Value £	Quantity Tons	Value £
Coal—				
Total exports .. . . .	16,274,921	13,629,805	18,576,573	16,646,639
Canada .. . . .	595,145	778,466	387,952	521,572
Pottery, glass, abrasives, etc.—				
Total exports .. . . .		4,049,688		4,783,163
Canada .. . . .		462,039		585,738
Iron and steel and manufactures thereof—				
Total exports .. . . .	1,050,864	17,051,124	1,349,739	23,169,274
Canada .. . . .	67,618	1,266,243	78,517	1,737,757
Non-ferrous metals and manufactures thereof—				
Total exports .. . . .		6,150,712		7,547,137
Canada .. . . .		180,813		245,759
Cutlery, hardware, implements and instruments—				
Total exports .. . . .		3,828,717		4,550,846
Canada .. . . .		167,662		191,677
Machinery—				
Total exports .. . . .	186,474	19,900,126	207,302	22,953,116
Canada .. . . .	3,514	471,371	4,891	701,251
Cotton manufactures (except apparel and embroidery)—				
	1,000 Sq. Yds.		1,000 Sq. Yds.	
Total exports .. . . .	926,128	19,155,042	980,775	21,948,759
Canada .. . . .	34,969	616,165	38,839	664,172
Woollen and worsted yarns and manufactures—				
Total exports .. . . .		15,310,740		17,647,931
Canada .. . . .		1,867,953		2,272,645
Tissues of artificial silk (including staple fibre and waste)—				
	Sq. Yds.		Sq. Yds.	
Total exports .. . . .	18,083,579	770,843	18,325,575	788,386
Canada .. . . .	716,777	37,527	1,140,593	56,263
Manufactures of other textile materials (mainly linen, jute, and hemp)—				
Total exports .. . . .		8,306,198		10,143,158
Canada .. . . .		905,236		1,093,197
Apparel—				
Total exports .. . . .		5,523,418		5,905,372
Canada .. . . .		244,919		273,349
Chemicals, drugs, dyes and colours—				
Total exports .. . . .		10,273,039		12,586,595
Canada .. . . .		518,303		578,373
Leather and manufactures thereof—				
Total exports .. . . .		2,016,129		2,723,376
Canada .. . . .		125,321		209,494
Paper, cardboard, etc.—				
Total exports .. . . .		3,113,272		3,737,460
Canada .. . . .		116,618		147,428
Vehicles (including locomotives, ships, and aircraft)—				
Total exports .. . . .		14,922,749		18,451,964
Canada .. . . .		210,448		324,449
Miscellaneous articles wholly or mainly manufactured—				
Total exports .. . . .		1,546,134		13,612,974
Canada .. . . .		496,720		628,521



## REVIEW OF CHINA'S FLOUR TRADE<sup>1</sup>

B. A. MACDONALD, ASSISTANT TRADE COMMISSIONER

### 1. Introduction

Shanghai, June 30, 1937.—Canada's flour trade to China, which had such a spectacular rise in the 1920's, but which declined almost as notably after 1930, has shown recently some signs of recovery for the first time in several years.

Although this recovery is slight as yet, and may prove only temporary, the following statistical review, with comments on current conditions, may help Canadian millers to form some conclusions on the future outlook.

Like the Sino-Canadian wheat trade, the subject has an interest broader than its purely commercial aspects: the contrast between China's inadequate food supply and the surplus grain production of countries such as Canada reveals a problem to which the solution can only be applied with such distressing gradualness that millions of people will probably die of starvation, and tens of millions prematurely from malnutrition before the solution can become effective.

### DEVELOPMENT OF CANADA'S FLOUR TRADE TO CHINA

Canada's flour trade to China is of recent growth for, like the wheat trade, it dates in reality only from 1922, and so covers a period of barely fifteen years. It is true that shipments of Canadian flour had been made to China and Hongkong prior to the Great War, but these were relatively unimportant. They ceased almost entirely during the war years and did not resume until 1922. But thereafter few Canadian export trades had a more notable development: negligible before 1922, by 1929 China had become Canada's second largest flour market, exceeded in importance only by the United Kingdom, and flour sales valued at Can.\$10,000,000 constituted 40 per cent of Canada's total exports to China, and 15 per cent of Canada's total flour exports to the world.

The following table shows at a glance the history and the relative importance of the Sino-Canadian flour trade from 1922 to 1937 (fiscal years ended March 31). The figures for Hongkong are included for the sake of comparison, and also because their omission would be misleading since much flour passes through Hongkong into South China.

Table 1: *Canada's Flour Exports to China and Hongkong, Fiscal Years 1922 to 1937*

(Dominion Bureau of Statistics—round figures)

#### EXPORTS OF FLOUR TO CHINA

Canadian Fiscal Years ended March 31	1,000 Can. \$	1,000 Barrels	China's Rank among Canada's Flour Markets	Per Cent of Canada's Total Exports to China	Per Cent of Canada's Total Flour Exports	Flour Exports to 1,000 Barrels	Hongkong 1,000 Can. \$
1922 .. . . .	64	13	..	3.3	0.1	51	244
1923 .. . . .	1,382	271	10	7.4	0.6	100	511
1924 .. . . .	2,491	505	3	19.0	4.0	372	1,815
1925 .. . . .	1,744	346	5	22.0	2.5	149	764
1926 .. . . .	6,879	1,087	3	28.0	9.8	191	1,212
1927 .. . . .	2,431	427	5	18.0	3.5	104	599
1928 .. . . .	3,964	795	3	29.0	6.6	269	1,485
1929 .. . . .	10,001	2,182	2	41.0	15.0	338	1,726
1930 .. . . .	7,184	1,577	2	44.0	16.0	237	1,142
1931 .. . . .	852	237	11	9.0	2.6	287	1,060
1932 .. . . .	293	107	12	5.0	1.5	231	653
1933 .. . . .	326	126	11	4.2	1.9	224	591

<sup>1</sup> This is a companion report to one entitled "China's Wheat Production and the Long-Term Prospects for Wheat Imports," which appeared in *Commercial Intelligence Journal* No. 1718 (January 2, 1937). Reference to the latter is recommended as a background for the present review of China as a buyer and producer of flour.

EXPORTS OF FLOUR TO CHINA—*Con.*

Canadian Fiscal Years ended	1,000 Can. \$	1,000 Barrels	China's Rank among Canada's Flour Markets	Per Cent of Canada's Total Exports to China	Per Cent of Canada's Total Flour Exports	Flour Exports to 1,000 Barrels	Hongkong 1,000 Can. \$
March 31							
1934 . . . . .	255	81	13	4.7	1.3	214	648
1935 . . . . .	252	66	13	5.7	1.4	150	518
1936 . . . . .	288	71	13	6.8	1.6	170	634
First 9 mos.,							
1936 . . . . .	215	53	13	6.3	1.5	145	539
1937 . . . . .	236	55	12	6.8	1.5	98	404

The figures above show that sales to China were only 71,000 barrels valued at Can.\$288,000 in 1936 as compared to 2,182,000 barrels valued at Can.\$10,001,000 in 1929. However, last year's figures and those for the first nine months of this year (fiscal year) reveal an upturn for the first time since 1933, or, if 1932 is excepted, for the first time since 1930.

It will be noted that Hongkong has been since 1931 a more important market than China. Due to Hongkong's position as a transshipping point for South China, this means that South China and the colony together have been buying more Canadian flour than all Central (chiefly Shanghai) and North (chiefly Tientsin) China.

## 2. History of China's Flour Import Trade

## TOTAL IMPORTS INTO MANCHURIA AND CHINA PROPER, 1903-36

Table 2 below traces China's annual imports of flour from all countries between 1903, the date from which statistics are readily available, and 1936 (calendar years). It will be noted that imports into all China totalled 54,000 tons in 1903, reached a peak of 797,000 tons (valued at Can.\$40,000,000) in 1929, and declined thereafter to 241,000 tons (valued at Can.\$1,378,000) in 1936. Of these, imports into China proper alone (that is, excluding imports into Manchuria) were 53,000 tons in 1903, rose to a peak of 553,000 tons in 1929, and have since declined to 34,000 tons. In other words, China proper is buying less foreign flour now than it did thirty years ago.

Table 2: China's Flour Imports, 1903 to 1936<sup>1</sup>

Calendar Year	Into All China, in- cluding Manchuria			Calendar Year	Into All China, in- cluding Manchuria		
	Manchuria Alone <sup>2</sup>	China Proper	China Proper		Manchuria Alone <sup>2</sup>	China Proper	China Proper
	Thousands of Short Tons				Thousands of Short Tons		
1903 . . . . .	54	1	53	1920 . . . . .	35	4	31
1904 . . . . .	64	5	59	1921 . . . . .	50	6	44
1905 . . . . .	66	12	54	1922 . . . . .	240	67	173
1906 . . . . .	120	18	102	1923 . . . . .	382	82	300
1907 . . . . .	304	38	266	1924 . . . . .	440	152	288
1908 . . . . .	126	27	99	1925 . . . . .	186	97	89
1909 . . . . .	42	4	38	1926 . . . . .	285	113	172
1910 . . . . .	50	8	42	1927 . . . . .	255	40	215
1911 . . . . .	146	21	125	1928 . . . . .	399	76	323
1912 . . . . .	219	63	153	1929 . . . . .	797	244	553
1913 . . . . .	173	56	117	1930 . . . . .	343	117	226
1914 . . . . .	149	60	89	1931 . . . . .	316	78	238
1915 . . . . .	11	2	9	1932 . . . . .	548	177	371
1916 . . . . .	16	2	14	1933 . . . . .	582	366	215
1917 . . . . .	46	16	30	1934 . . . . .	561	494	66
1918 . . . . .	10	1	9	1935 . . . . .	564	507	56
1919 . . . . .	18	1	17	1936 . . . . .	241	207	34

<sup>1</sup> Source: Chinese Maritime Customs annual returns, converted from piculs and from quintals, down to 1932. From that year the figures for Manchuria are taken from the "Annual Returns of the Foreign Trade of Manchukuo." Until 1923 the returns for "flour" included all flours (i.e. tapioca flour, etc.) but since that date wheat flour has been classified separately. Due to the fact that imports of "other" flours have never been very large, the statistical situation prior to 1923 is not of great importance.

<sup>2</sup> Does not include Manchuria's imports of flour from China proper. These are shown in a later section of this report.



On the other hand, Manchuria's imports, which were only 1,000 tons in 1903, reached their peak in 1935 with 507,000 tons, and amounted, as late as last year to the considerable figure of 207,000 tons. Some of the possible reasons for this continuation of the trade on a large scale in the case of Manchuria are discussed later on in this report.

### CHIEF FACTORS DETERMINING IMPORTS, 1903-36

The chief factors and conditions responsible for the yearly fluctuations revealed in Table 2, and in particular for the long-term rise to the peak in 1929 for China proper, and to the peak in 1935 for Manchuria, can be clearly distinguished. They may be recalled best, in the case of China proper, by dividing the years since 1903 into several periods as follows:—

*1903-14.*—This period marked in a sense the beginning of modern China. The country's interest in the West and its products, including machine-milled flour, had been stimulated by the Sino-Japanese War of 1894-95, the Boxer Rebellion of 1900, and the Russo-Japanese War of 1904-05.

Modern flour mills had been established in Shanghai and Harbin, but were not yet strongly organized (see later section on "China's Domestic Milling Industry") and had no tariff protection. The latter did not come until 1933.

The very large imports in the years 1906-08 inclusive were due to a terrible famine in North China, caused by drought, which reached its height in 1907.

The large imports in the years 1911-14 were probably due chiefly to the revolution of 1911-12, which increased the demand for flour, first as a convenient food for troops, and, second, to replace to some extent foodstuffs deficiency occurring as an aftermath of the struggle.

*1915-20.*—The great demand for food from Europe after August, 1914, with consequent high world prices, reduced China's flour purchases greatly from 1915 to 1921 inclusive. This was a period of great prosperity for the Chinese mills, especially in the two great milling centres, Shanghai and Harbin, and, for the first time, China actually exported considerable quantities not only to Japan and over the Siberian land frontier to Russia, but also in smaller quantities to Europe and the Near East. (China's flour exports are shown in a separate section below.)

*1921-25.*—This period saw a remarkable combination of conditions favourable to large imports of foreign flour. (a) With the cessation of the great demand from Europe which existed during the war years, and the two or three years immediately following, world prices fell sharply, and the war-expanded production in Canada and other Western countries sought a market in the Orient. (b) At the same time another terrible famine prevailed in North China, due to drought and flood, from 1920 to 1922 inclusive, the effects of which were felt for two years afterwards. (c) Sporadic civil war created on the one hand a demand for convenient army food, while on the other hand disorganizing domestic production and distribution. (d) So great was the demand for flour that the Shanghai domestic mills began to import foreign wheat in 1922 for the first time. (e) The heavy fall of flour imports in 1925 was probably due chiefly to the sharp upward rise of world prices and to the anti-British boycott in that year, but better domestic crops and the fact that large speculative purchases by Tientsin in 1924 had not been entirely liquidated were other factors also. (f) Finally, foreign flour was still being allowed in duty free.

*1926-33.*—This is the period which saw China's greatest imports of flour: from 285,000 to 797,000 tons each year in the case of all China, and from 172,000 to 553,000 tons taking China proper alone. The conditions which characterized these years are well known to all in the grain trade, but if they

are put down and contrasted with those prevailing since the end of 1933, it will be clear from the extraordinary way in which they coincided why such large imports can hardly be expected to recur:—

(a) Almost continuous civil war with effects already noted. (b) Widespread drought, with resulting famine, in North China, particularly during 1928 and 1929. (c) The appalling flood of 1931 in the Yangtze Valley, which was the worst for sixty years, and one of the worst in China's history, plus the severe floods of 1933. (d) The low-quality wheat crops in Canada in certain years, which made it possible for Canadian mills to produce large quantities of the cheap low-grade flour known by various names such as "Oriental Straights." (e) The almost continuously falling price of foreign wheat and flour from 1926 to 1932. (f) The American loan arrangements of 1931 and 1933 whereby the Chinese Government bought large quantities of United States flour on credit and also wheat) for flood-relief purposes. (g) Foreign flour still was allowed in duty free.

*1934 to Date* (tariff protection introduced for first time).—If reference is made once more to Table 2, it will be noted that flour imports into China proper (see special note below on Manchuria) fell abruptly from 216,000 tons in 1933 to 67,000 tons in 1934, and still further to 34,000 tons in 1936.

The reasons were an almost complete reversal, in so far as China proper was concerned, of the conditions noted in the preceding period, and the introduction of an import duty on flour for the first time on May 22, 1933. When first imposed it was roughly equivalent, at exchange ruling then, to Can.\$2.23 per short ton. But on December 16, 1933, it was tripled, and, due to the higher value of the Customs gold unit, is now equivalent to about Can.\$8.14 per short ton. (Details of the tariff are given below.)

### 3. Distribution of China's Flour Imports<sup>1</sup>

#### IMPORTS BY SUPPLYING COUNTRIES

Table 3 gives China's flour imports by supplying countries from 1933 to date. Because prior to 1933 there was no Chinese consular invoice system whereby the true origin of imports could be checked, no purpose would be served by examining the customs statistics for flour earlier than that year. They would indicate Hongkong, merely a transshipping point, as one of the most important suppliers.

*Table 3: China's Flour Imports by Supplying Countries, Calendar Years 1933 to 1937*

(In round numbers—000 omitted—calendar years)

	1933 <sup>1</sup>		1934 <sup>2</sup>		1935		1936		First Four Months			
	Short Tons	Can. \$	Short Tons	Can. \$	Short Tons	Can. \$	Short Tons	Can. \$	Short Tons	Can. \$	Short Tons	Can. \$
Australia.. . . .	103	3,032	13	521	20	726	12.0	485	4.5	165	4.0	194
Canada .. . . .	8	275	12	472	15	606	11.0	538	3.9	167	4.1	220
Japan.. . . .	35	960	1	34	2	82	5.7	171	1.4	41	0.3	13
United States .. .	67	3,028	39	1,368	19	732	3.8	172	1.7	70	1.2	63
K.L.T. <sup>3</sup> .. . . .	0.5	16	..	..	..	2	..	3	..	0.4	..	1
Others .. . . .	0.6	23	..	..	..	11	..	4	..	..	..	..
Total .. . . .	215	7,415	66	2,400	58	2,158	34.0	1,378	12.0	445	9.7	493

<sup>1</sup> 1933 figures converted from piculs, at 15 piculs to the short ton, and from gold units at g.u.1 equals Canadian \$0.52.

<sup>2</sup> Other years—converted from quintals at 9 quintals to the short ton and from gold units at g.u.1 equals Canadian \$0.66%.

<sup>3</sup> Kwantung Leased Territory (Dairen).

<sup>1</sup> Not including Manchuria; the latter is treated separately in another section of this report.



It will be seen that whereas drastic declines have taken place over the past four years in purchases from Australia, the United States, and Japan, purchases from Canada have remained relatively steady during this period and have even increased slightly during the first four months of 1937 as against the same period last year. The chief explanation is apparently that the demand for high gluten clears and patents, such as Canada supplies, while comparatively small, cannot be filled so easily by the domestic mills.

### IMPORTS BY CHIEF PORTS OF ENTRY

Table 4 indicates the relative importance of the various ports of China as a market for foreign flour. It is interesting to note that since the tariff of 1933 stopped its importation as a mass food, the rice-eating South has provided a larger outlet than either Central or North China.

The unusually large arrivals at Shanghai and other Central China ports in 1932 was of course due to the famine relief purchases necessitated by the great flood of 1931.

The unusually small imports in 1925 were undoubtedly due to the anti-British boycott of that year, which seriously curtailed sales of Canadian and Australian flour and also, because of the lettering similarity on the bags, sales of American flour. A sharp rise in price was also a factor of importance.

Table 4: Imports by Chief Ports of Entry, Calendar Years 1922 to 1936

Calendar Year	1Other North China		Other Central China		2Other South China	
	Tientsin	Tsingtao	Ports	Shanghai	Ports	Foochow
	Figures in 1,000 Short Tons					
	Amoy	Swatow	Canton	Ports		
1922.. .. .	25	24.0	5.0	42.0	5	12.0
1923 .. .. .	97	11.0	15.0	70.0	14	18.0
1924 .. .. .	70	11.0	14.0	42.0	9	17.0
1925 .. .. .	31	7.0	4	2.0	2	3.0
1926 .. .. .	79	28.0	10.0	10.0	4	4.0
1927 .. .. .	120	14.0	4.0	11.0	2	5.0
1928 .. .. .	176	22.0	10.0	15.0	2	9.0
1929 .. .. .	355	42.0	33.0	16.0	5	12.0
1930 .. .. .	115	7.0	12.0	15.0	3	4.0
1931 .. .. .	103	19.0	15.0	4.0	8	3.0
1932 .. .. .	76	29.0	4.0	140.0	50	3.0
1933 .. .. .	103	18.0	3.0	11.0	..	1.0
1934 .. .. .	5	0.4	0.1	27.0	..	0.3
1935 .. .. .	13	0.3	0.8	8.0	..	0.2
1936 .. .. .	6	0.2	0.3	6.5	..	0.1

<sup>1</sup> Includes Chingwangtao, Lunghow, Chefoo, Weihaiwei.

<sup>2</sup> Includes Kowloon, Lappa, Kengmoon, Samshui, Wuchow, Kiungchow, Pakhoi, Mengtsz, Szema, Tengvueh.

### IMPORTS BY MONTHS, 1933-37

Table 5 shows China's imports by months during the past four years. Before the imposition of the tariff the heaviest import of flour, as of wheat, usually occurred from December to June inclusive. This coincided approximately with the period during which the Chinese native wheat was not available to the domestic mills. Since tariff protection was imposed, however, the monthly imports have become increasingly uniform.

As seen in the table below, there is now very little fluctuation. Other things being equal, however (i.e. prices), there is a tendency for importers not to stock heavily in the summer. Special care must be given to flour in the way of ventilation from about June until September, particularly in Shanghai and in the cities south of it.

Table 5: Total Imports of Flour into China<sup>1</sup> by Months, 1933 to 1937

	1933	1934	1935	1936	1937
		Figures in Short Tons			
January . . . . .	17,954	8,553	11,246	2,342	2,464
February . . . . .	15,111	1,803	4,615	2,222	2,299
March . . . . .	44,447	3,541	3,768	3,356	2,533
April . . . . .	44,120	4,532	4,220	3,762	2,431
May . . . . .	32,701	3,012	4,599	5,959	.....
June . . . . .	16,781	3,909	4,435	2,893	.....
July . . . . .	6,773	2,763	4,635	2,747	.....
August . . . . .	6,834	3,953	4,520	2,240	.....
September . . . . .	6,176	2,465	4,447	2,460	.....
October . . . . .	5,184	9,860	4,736	2,514	.....
November . . . . .	7,336	10,804	2,686	2,029	.....
December . . . . .	12,317	10,929	2,813	1,925	.....
Total . . . . .	215,734	66,124	56,720	34,449	.....

#### 4. Chinese Government Regulations Affecting Flour

##### CHINA'S IMPORT TARIFF ON FLOUR

On May 22, 1933, a tariff of g.u.0.25 per picul (133½ pounds) was imposed for the first time on wheat flour. This was a radical departure from China's immemorial tradition of allowing bulk cereal foodstuffs into the country free of duty or other restrictions. On December 16, 1933, the duty was raised to g.u.0.75 per picul, and a duty on wheat of g.u.0.30 per picul was imposed.

When the Chinese Customs adopted the metric system the above duties were altered to the following rates *per quintal*, but this conversion did not involve any real change in the actual amount of the duty: wheat flour, g.u.1.24; wheat, g.u.0.50.

As the gold unit (g.u.) is now worth approximately Can.\$0.67, the above rates are roughly equivalent at present to the following charges in Canadian dollars per short ton: wheat flour, \$7.50; wheat, \$3.02.

With the surtaxes amounting to 10 per cent of the duty payable, and conservancy charges of 4 per cent (to which all dutiable imported commodities are subject), the total import charges on flour and wheat are approximately as follows:—

Wheat flour . . . . .	Can.\$8.55 per short ton or Can.\$0.86 per barrel
Wheat . . . . .	Can.\$3.45 per short ton or Can.\$0.104 per bushel

(A consolidated tax of Chinese \$0.10 (about Can.\$0.03) per bag of 49 pounds is levied on both imported and domestic flour.)

China has only the one tariff column: the same rates apply to all countries.

It will be noted that, inasmuch as the duty on flour is specific and not ad valorem, it bears most heavily on the cheaper lower grades of foreign flour. This is a further explanation of the heavy drop in imports since the tariff was imposed because the previous large imports consisted for the most part of low-grade flour for mass consumption.

##### DUTY DRAWBACK ON EXPORTED FLOUR MILLED FROM IMPORTED WHEAT

By Customs Notification No. 1356, dated April 28, 1934, authority was granted for a partial refund to Chinese mills of import duty paid on foreign wheat made into flour and exported abroad within one year of the date of wheat importation. The drawback is calculated on the basis of one quintal of wheat equals 0.75 quintal of flour. The amount of the refund is 80 per cent of the duty originally paid.

<sup>1</sup> Not including Manchuria.



## NO EXPORT DUTIES

Although China still has an export tariff in force which applies to many commodities, no export duties are levied on either wheat or wheat flour, both being allowed to be shipped abroad without charge.

## MARKING OF SHIPMENTS OF FLOUR

Shipments of flour imported into China are subject to the marking regulations of the Chinese Maritime Customs which apply to all imports. These were set forth fully recently in the Chinese Maritime Customs Notification No. 1527 (dated Shanghai, July 8, 1936), and reported in *Commercial Intelligence Journal* No. 1700 (August 29, 1936), page 450. Briefly, these regulations require that all import cargo must bear:—

- (a) A distinctive mark or design which may be a triangle, a circle, or simply the brand used by the miller or the importer; or a set of not less than three letters; or a combination of the design and the letters. (This is recommended.)
- (b) Secondly, all bags of each separate shipment (that is, each shipment coming from one shipper to one consignee by one vessel) must be further amplified by a distinctive number special to that shipment, and not recurring within two years. This number may be the date or the indent number.
- (c) Thirdly, in the case of most cargo, all individual packages, crates, bags, etc., making up each shipment must be further numbered consecutively. This third requirement is waived, however, in the case of flour when the shipment consists of 100 bags or more of identical weight.

For example, a shipment of flour fully marked according to (a) and (b) would be subject to fine if it consisted of only 99 bags and *each* bag were *not* numbered 1, 2, 3, 4, and so on, up to 99. It would also be subject to fine if the total number of bags were over 100 *but* consisted partly of 49-pound bags and partly of 98-pound bags, or partly of wheat flour and partly of some other like product, such as rolled oats, and each were not numbered 1, 2, 3, 4, etc.

The fine consists of a fee of Chinese \$16 (Can.\$4.80) per four hours, or any part thereof, required by Customs officers to complete inadequate marking. As some Canadian flour shipments have been subjected to the fine, it is suggested that all millers and exporters make sure that their shipping departments are familiar with these regulations.

## CONSULAR INVOICES

All shipments of flour, as of other goods, to China must be accompanied by a consular invoice where the f.o.b. steamer value is equivalent to more than 90 gold units (equivalent to Can.\$66.60). Information concerning these consular invoice regulations was published in *Commercial Intelligence Journal* No. 1720 (January 16, 1937). Exporters should apply to the Chinese Consulate in Ottawa or Vancouver for the rate of exchange to be used in determining whether or not their shipment has a value greater than the sum mentioned.

The fee for the consular invoice is gold units 5 (fixed at Can.\$3.70 until further notice). It must reach the importer with or before his shipment. Otherwise he must pay a fine of three times the fee before the shipment can be passed.

## CHINESE GOVERNMENT TESTING BUREAU INSPECTION OF IMPORTED FLOUR

All wheat flour entering China is subject to inspection by the Chinese Government Testing Bureau, which requires it to meet the following standards:—

1. Appearance should be white or faint yellow and be free from obnoxious odour, moulds, and microbes.
2. Extraneous matter: Must be free from the following substances:—
  - (1) Whiting, kaolin, alum, sulphate of copper, and/or other substances harmful to health.
  - (2) Poisonous seeds and flour milled from germinated wheat.
  - (3) Various kinds of starches.

3. Fineness: Residue on passing through a 42-mesh per cm. sieve not to exceed 0.20 per cent.
4. Moisture: Not to exceed 15 per cent.
5. Crude fibre: Not to exceed 0.5 per cent.
6. Ash: Not to exceed 1 per cent.

Flour found on inspection to conform to the above standards shall be graded as follows:—

Grades	Colour	Coarse Fibre	Ash
No. 1	Pure white.. . . .	Under 0.20 per cent	Under 0.50 per cent
No. 2	White .. . . .	Under 0.35 per cent	Under 0.75 per cent
No. 3	Greyish or faint yellow ..	Under 0.50 per cent	Under 1.00 per cent

These regulations were put into effect first at Tientsin on May 27, 1935, later at Shanghai on September 1, 1935, and finally at Canton, October 5, 1936.

When they were announced, certain foreign flour experts pointed out that if they were strictly enforced it would be difficult for any foreign flour to pass them. When, however, the matter was taken up officially with the Testing Bureau, the latter replied to this office as follows:—

We would inform you that no wheat flour will be refused entry for its fineness not being up to the standard unless it contains some foreign matter detrimental to health. This kind of flour will be considered as "wheat flour for industrial use" or "lower-grade wheat flour for industrial use," and will be thus re-marked in our certificate.

With regard to the ash content, we do not think that our requirements are too strict. Since the beginning of our inspection of wheat flour we have never found even a single lot with its ash content over 1 per cent. This indicates that there is no need for us to make any modification of these requirements.

As no difficulties have been reported recently, it may be assumed that Canadian flour is so far meeting the specifications as interpreted by the Chinese authorities.

The fee for inspection, which is paid by the importer, amounts to only Chinese \$0.04 per quintal of 220.5 pounds, or approximately Canadian \$0.11 per short ton.

## CHINA PROHIBITS EXPORT OF WHEAT

B. A. MACDONALD, ASSISTANT TRADE COMMISSIONER

Shanghai, July 6, 1937.—Notification No. 1582 of the Chinese Maritime Customs, dated at Shanghai to-day, announced that the export abroad and to Manchuria, including Dairen, of wheat is prohibited until June 30, 1938, and that the following export tariff duty rates on other cereals are to be applied provisionally until the end of October, 1937; it should be noted that wheat flour is not included but remains exportable, free of duty as before. Rates per quintal (220.4 pounds) are, in Chinese dollars (Chinese dollar equals roughly Can.\$0.30): buckwheat, \$0.21; kaoliang and maize, \$0.24; millet, \$0.43; and cereals n.o.p.f., \$0.41; flour n.o.p.f. is assessed at 7½ per cent ad valorem.

It is understood that these measures have been adopted in view of the smallness of the wheat crop harvested this year. No detailed information regarding the crop is available as yet, but what can be obtained indicates that it is very much smaller than that of last year, the difference being as much as 50 per cent in many districts of North China, according to some reports.

China's exports of wheat are not important. In short tons they have been as follows in recent years: 1934, 14,700; 1935, 10,500; 1936, 35,500; 1937 (up to end of May), 5,500. Apart from insignificant amounts to Hongkong, Siam, and Korea, the entire exports have been to Japan.

China's wheat imports up to the end of May this year have totalled only 47,000 short tons, all from Australia, as against roughly 110,000 short tons in the same period last year.



## WEST OF ENGLAND MARKET FOR BARREL STAVES AND HEADINGS

E. L. McCOLL, CANADIAN TRADE COMMISSIONER

Bristol, July 20, 1937.—In the West of England, South Wales, and South Midlands barrels are used to a considerable extent as containers for wheat flour, condensed milk, pickled meats, paraffin wax, crushed seed oils, dry chemicals—such as sal ammonica and soda—and many other commodities. A large proportion of the staves and headings for the manufacture of these barrels is imported.

Barrels to be used for wheat flour, condensed milk, and other food products are made from imported staves and headings of birch, beech, maple, and American red gumwood. These staves and headings, in varying sizes, are of standard high quality. The staves are planed on both sides, tongued and grooved, chimed at both ends and grooved at one end also to secure the bottom of the barrel permanently. The upper ends of the staves are not grooved, a hoop fastened on the inside of the barrel being used to support the top. This method facilitates opening the barrel.

The staves are packed in steel-strapped bundles of three sets, each set being sufficient for one barrel. The heads are already assembled, the pieces being held together firmly by steel dowels (wooden if the barrel is to hold liquids) and bound in bundles of twelve to fourteen by steel strapping. Wooden hoops are used by coopers for flour barrels and steel hoops for those intended for liquids. The hoops are supplied by the cooper and are not imported with the staves and headings.

Owing chiefly to their superior quality, Baltic staves and headings have recently captured the market, in one important area at least.

Softwood barrels are supplied to manufacturers or producers of rough dry products such as vegetables, dry chemicals, and other merchandise. Fir, spruce, and yellow pine are the principal woods used, those of Canadian origin being well received. Redwood fir is imported from Sweden, Russia, and Finland in small rectangular pieces approximately the size of a stave but not shaped. A recent quotation from one source was £20 per standard of 165 cubic feet, free on rail or motor lorry United Kingdom port.

### IMPORTS

Detailed statistics covering the importation of different kinds of staves into the United Kingdom are not available, nor are the figures of imports by countries of origin for 1936.

Total imports of all kinds of staves into the United Kingdom in 1936 were valued at £491,185 as against £339,636 in 1935. Chief sources of supply in the latter year were as follows: Soviet Union, £80,707; Poland, £74,590; Sweden, £58,600; United States, £52,218; Finland, £44,790; Canada, £5,377; and Germany, £2,111.

Figures of the Dominion Bureau of Statistics show exports of staves and headings from Canada to the United Kingdom for the fiscal year 1936-37 to the value of \$25,391 as against \$16,679 in 1935-36.

Imports into the United Kingdom from non-Empire countries are dutiable at 20 per cent ad valorem; those from Empire countries enter duty free.

A sample stave of Baltic beech, together with prices, is available for inspection by interested Canadian firms on application to the Department of Trade and Commerce, Ottawa.

## NEW INDUSTRIES AND INCREASED PURCHASING POWER IN SOUTH WALES

E. L. McCOLL, CANADIAN TRADE COMMISSIONER

Bristol, July 20, 1937.—South Wales will receive an additional £741,500 to help industry. The amount of money granted towards industrial reconstruction in depressed areas of South Wales by the Special Areas Reconstruction Association, together with co-operative assistance rendered from other sources, is £845,400. New capital assured is £741,500. The trades assisted include potato crisps, serving machines, rubber waste products, chairs, a printers' type-foundry, bricks, and plate glass manufacture. The number of persons who are likely to obtain additional employment from these grants is estimated at 4,680. Independent of this assistance, several new manufacturing plants have opened up in the Cardiff area. The installation of water systems to supply a number of towns is contemplated by the municipalities concerned. The construction of an air raid shelter and an underground car park at an estimated cost of £130,500 has been approved by the Cardiff City Council. Newport is to have a new civic centre, at a cost of £500,000.

### LIVE STOCK AND AGRICULTURE

Beef and milch cattle subsidies for Wales, under the Cattle Industry (Emergency Provisions) Act, 1934, are increasing. From September, 1936, to February, 1937, Welsh farmers received beef subsidies on 54,666 cattle compared with 53,677 in the corresponding period of 1935-36, and 53,134 in 1934-35. A decline in the average weight of cattle certified in each half year resulted in a slight reduction in the average subsidy per beast. It is estimated that subsidy payments for quality beef cattle rose from £127,000 for the half year ending February, 1936, to £128,000 for the six months ending February, 1937. The subsidy to Welsh farmers for "quality" milch cattle is to be increased, and should benefit the industry to the extent of some £64,000 annually.

### METALS

Iron, steel and ancillary industries in South Wales are operating almost to capacity and have heavy commitments for many months ahead. While their position is encouraging, they are not able to give, in the case of new business, immediate delivery. Supplies of heavy finished steel are not equal to the demand, and in many instances deliveries have to be made to customers on a ration or quota basis. The situation seems to be acute in the case of soft steel billets, which are urgently required by re-rollers. Local steel works endeavouring to increase their production of steel sheet and tinplate bars, for which there is an increasing demand, are hindered severely by a shortage of pig iron and scrap. Tinplate manufacturers have more business than they can handle, except for future delivery. They are operating at only three-quarters capacity, and cannot increase production due to the steel situation. The demand for galvanized sheets exceeds the supply. There is not sufficient scrap iron and steel recovered in South Wales to meet the demand and supplies have to be imported.

### COAL

The Welsh coal industry is recovering from its long depression. Increased demand has created greater confidence than at any time during the last ten years. Throughout 1936 the position was anything but promising. Even with curtailed production, collieries were working irregularly as it was found difficult to dispose of the output. There has, however, been taking place since the end of last year an appreciable increase in sales. Unfortunately, the full fruits of this situation cannot be realized as it has been very difficult to increase pro-



duction suddenly, sufficient to cope with the business offering. Nevertheless, much has been done towards that end. During the depression in South Wales a large number of workers were forced to emigrate to other regions. Consequently, the industry is now confronted with the problem of a shortage of labour for which there seems to be no immediate solution. Very few of these workers, or others to take their places, are returning. Unemployment figures indicate that some 30,000 men are out of work, but few of these are of the skilled class of labour which the mines so urgently need to increase their output. The South Wales Miners' Federation has 118,000 active members, of which 100,000 are employed full time. There has been an increase of 20,000 in the membership during the past year.

Several factors have contributed to the general all-round improvement in trade. Iron and steel for general industrial purposes has been in increasing demand for some time past, a demand which has been recently accentuated by the Government rearmament program. This situation, which has resulted in high prices and uncertain delivery for iron and steel products, has raised mining costs to such an extent that the expansion of the coal industry necessary to increase production has been considered of doubtful economic value under existing conditions.

#### LABOUR AND CAPITAL IN THE INDUSTRY

During the last year necessity has developed a feeling of co-operation and goodwill between employers and labour—that strikes and threats of strikes were destructive of their markets. The Wages Agreement of one of the largest groups of mines in South Wales was to come up for revision on September 30. Ordinarily, preliminary overtures would not begin until the expiration date was close at hand. However, towards the end of 1936 representatives of colliery workers and owners went into conference and came to an understanding. The workers received a substantial increase in wages as from April 1, 1937, instead of from September 30; and a settled peace has fallen on the industry.

#### EXPORT TRADE DECLINE

The increase in the demand for Welsh coal is primarily due to the United Kingdom market. Compared with 1929, a marked decrease has taken place in export trade. During that year 60,000,000 tons were exported. Exports for 1936 amounted to 34,000,000 tons, a decrease of 43 per cent. It is affirmed that subsidized exports from Germany are the chief cause. At any rate, Germany exports at the present time more coal than the United Kingdom, although in 1929 about 70 per cent of the combined exports of the United Kingdom and Germany belonged to Great Britain and about 30 per cent to Germany.

The present day-to-day situation with respect to South Wales overseas business is that a steady flow is maintained at firm prices. Supplies have readily been obtainable for foreign commitments, but at exporters' prices, and brisk chartering of ships has been taking place. In the main, colliery production is fully sold over a long time ahead, and the amount of coal available on the market is not excessive.

#### SHIPPING

Due to the improved world carrying trade, shipping is active in South Wales, and this has led to greater employment at the docks. As the demand for tonnage is ahead of supply, steamship companies are obtaining good rates, especially for Mediterranean cargoes. The increased number of ships using the principal ports of South Wales has benefited the ship-repairing trade. The South Wales cargo fleet consists of up-to-date ships as the owners follow a policy of keeping modernized and efficient vessels. Several new ships have recently arrived from the builders, and others are on order.

A survey of other industries reflects more or less the same situation—increasing business, better prices, and reduction in unemployment.

## BUILDING CENTRE FOR SCOTLAND

J. M. BOYER, ASSISTANT TRADE COMMISSIONER

Glasgow, July 25, 1937.—The Scottish Development Council recently convened a meeting in Glasgow comprising architects, building contractors, and building supplies manufacturers and merchants, at which the method of operation of and the results obtained by the London Building Centre were described by its director. After discussion as to the usefulness and feasibility of such a project in Scotland, the meeting passed a resolution calling on the Development Council to take immediate steps to establish a building centre in Scotland.

The Glasgow building centre, when established, will be operated for the same purpose and under the same plan as is that in London, and therefore a description of the latter may be useful to Canadian exporters who may contemplate taking advantage of the service to be provided for Scotland.

### METHOD OF OPERATION

The object of the building centre is to provide under one roof facilities for manufacturers to exhibit articles and materials used in connection with the erection and equipment of buildings—heating, lighting, decoration, etc.—so that the architect, the builder, and the client can see for themselves samples of the most up-to-date materials.

The building centre is open free to any one interested. Every branch of manufacturing connected with building is represented, and it is possible to see samples of material and equipment of every type needed to complete a building. It is not possible to purchase goods at the building centre, but the visitor can see what the manufacturer has to offer in the way of new materials and new ideas, besides a wide range of standard materials including timbers. Every exhibit is numbered and is labelled with the name of the manufacturer.

The building centre maintains its own staff for the purpose of giving information and assistance. Any information given is quite unbiased, as the building centre has no direct financial interest in sales. No opinions, favourable or otherwise, are expressed, but as far as possible records are kept as to where various materials, etc., have been used, and these are available to inquirers along with reports of any official tests to which they have been subjected. The staff available to give advice to visitors includes specialists in electricity, gas, coal, and timber.

The London building centre has had a strong appeal to architects and builders, to which they feel free to go knowing that they will get impartial information without being urged to buy. As an example of the extent to which the centre is used, the director reports having dealt with 97,000 technical inquiries during the past year.

Timber exporters, manufacturers of electrical equipment, and other Canadian exporters interested in the building trade, are advised to give careful consideration to the service to be provided by the Glasgow building centre. Further information and space rates for prospective exhibitors can be obtained on application to the Canadian Trade Commissioner, 200 St. Vincent Street, Glasgow, C 2, Scotland.



## GOLD MINING IN WESTERN AUSTRALIA

Mr. Frederick Palmer, Canadian Trade Commissioner at Melbourne, has submitted under date June 20 the following report which was prepared by the Under Secretary for Mines of Western Australia.

While the first minerals to be mined in this State were the ores of copper and lead, gold has proved to be by far its most valuable mineral asset. Gold mining is now one of the five most important industries flourishing here, and through its agency the recognition of the outer world has been won. Since the first gold discovery in the Kimberleys in 1885, and subsequent finds of importance, this industry has developed to make Western Australia the premier gold producing State of the Commonwealth.

The magnitude of the auriferous deposits of this State may be judged by the fact that they extend from Halls Creek in the northern Kimberleys to Tavensthorpe in the extreme south, a distance of approximately 1,200 miles, with a maximum width of about 200 miles. As yet, the mines are comparatively shallow, the deepest being 3,600 feet. Mining practice here is much the same as that of the South African Rand—that is, "reef-mining." The world-famed "Golden Mile" at Kalgoorlie owes its continued existence to the pipe-track water scheme whereby water is pumped from the coast. Other outstanding centres, from which payable gold ore has been and will continue to be mined, are Marble Bar in the northwest, Meekatharra, Cue, Day Dawn and Mt. Magnet on the Murchison, Wiluna on the East Murchison, Leonora, Laverton, Southern Cross, Coolgardie, and Norseman.

### GOLD PRODUCTION

The value of gold produced in Western Australia since the inception of the industry was, to the end of last year, £175,680,559, based on the fine ounce value of £4 4s. 11½d. Over the same period dividends amounting to £31,838,792 have been distributed by the gold mining companies operating in the State. At present over 16,500 men are employed, and this figure is steadily increasing as new companies are commencing operations.

### GOVERNMENT ASSISTANCE

The Department of Mines of the Western Australian Government is responsible for the administration of the industry. From this department land may be leased for the purpose of gold mining upon the payment of the required fee. The department assists the industry by advancing loans for the development of mines which have possibilities by erecting and maintaining crushing plants for the treatment of prospectors' ore, and by grants to the genuine prospector. In addition, the Government has defined the State geologically by means of land parties, aerial reconnaissance and geophysical prospecting. This work is being continued. Vast low-grade deposits have been tested by the Government's diamond drilling, results of which have enticed capital and large companies to operate these deposits. At Kalgoorlie a highly qualified staff of instructors is maintained at the School of Mines.

During the last few years, striking developments have taken place in the industry. Perhaps the most notable event is the flotation and subsequent development of the Big Bell mine, a vast low grade property carrying about 3½-dwt. values, and located about eighteen miles west of Cue. The Wiluna Gold Mines, in the course of the last few years, has developed into one of the premier mines of the State. Another great low grade deposit to receive the attention of English capital is that at Tindale, near Coolgardie, which is now in the development stage. Other excellent properties which have now come into prominence are the two large Norseman mines, the Sons of Gwalia near Leonora,

and the Lancefield near Laverton. All the large companies operating on the "Golden Mile" are at present recording substantial monthly returns, as well as pursuing vigorous development policies to increase their already known ore reserves. On the present available ore reserves, the "Golden Mile" companies are assured of many future years' production. Recently an exceptionally rich find was made near Marble Bar and it is now being rapidly opened up by an English company. The average assay value of this mine is 5 fine ounces per ton.

The vast improvement in the gold mining industry of the State is attributable to a number of factors such as improved treatment plants resulting in greater efficiency, better metallurgical methods of treatment, and mainly of course, to the enhanced value of gold.

The present quotation is in the vicinity of £8 16s. (Australian currency) per fine ounce. For example, many tailings dumps which have remained untreated for years as the gold content could not be profitably extracted under old values are now being treated with a good margin of profit.

## IMPORTATION OF ONIONS INTO NEW ZEALAND

### Prohibition Order Temporarily Removed

R. P. BOWER, ASSISTANT TRADE COMMISSIONER

Auckland, July 8, 1937.—A report was published in *Commercial Intelligence Journal* No. 1736 (May 8, 1937), page 781, entitled "Onion Marketing in New Zealand," in which it was mentioned that the New Zealand Government, with a view to the stabilization of onion prices, had prohibited imports except by consent of the Minister of Customs.

It was recognized that during certain months of the year some imports would be necessary, which would be controlled by issuing permits to various importers in the country. The allotments were to be based on the relative importance of the various importers to the trade in previous years. This scheme has now been abandoned, and in its place the Government will allow the unrestricted importation of onions into New Zealand for the period between September 15 and November 20, only onions arriving between those dates being admissible.

From a survey of present stocks and other data the Government estimates the country's requirements from overseas this year at about 2,000 tons. At the end of May stocks of onions in New Zealand available for distribution were approximately 2,250 tons. The average winter monthly consumption is 700 tons, so that supplies from abroad will become necessary early in September. Although importation will be unrestricted during the above-mentioned period, the scarcity of freight space on vessels plying between North America and New Zealand will act as a check on volume which it is hoped will hold arrivals fairly close to the required 2,000 tons.

It is unlikely that Canadian growers will have stocks available for delivery here by September 15, so that early orders will have to be placed with Californian or Japanese shippers. The present embargo on Australian onions may be temporarily removed to allow a few parcels from that source at the beginning of the "open" period.

In order that the Government and the Advisory Committees may be kept informed of the position generally, the Government requires importers to advise the Department of Agriculture, Wellington, of the total quantity for which orders have been placed, the country of origin, and the vessel by which the produce is to be shipped. The Government is to be notified immediately of any cancellation of orders.



**CONDITIONS IN NEWFOUNDLAND<sup>1</sup>**

A. E. BRYAN, INSPECTOR, CANADIAN TRADE COMMISSIONER SERVICE

**VII. Import Trade—Continued****FRESH VEGETABLES**

Local production of fresh vegetables in Newfoundland is increasing, but domestic supplies are still far below the requirements of the market. Considerable quantities of potatoes, onions, tomatoes, and other fresh vegetables are imported annually, Canada, the United States, and the United Kingdom being the principal suppliers. Total imports of fresh vegetables into Newfoundland during 1936 were valued at \$123,137, of which \$85,449 represented potatoes, onions, and tomatoes, and the remainder beets, carrots, cucumbers, cabbages, and turnips, chiefly from the United States and Canada.

**POTATOES**

Over 50,000 bushels of potatoes were grown in Newfoundland during 1936, and, according to the Customs returns for that year, 50,050 bushels valued at \$433,757 were imported. Canada supplied 36,060 bushels valued at \$23,760, and the United Kingdom 12,424 bushels valued at \$8,793. Smaller quantities were imported from the United States, St. Pierre, and the Irish Free State.

A large proportion of the Canadian potatoes were shipped from Prince Edward Island and consisted of Cobblers, Green Mountain, Dakota Red, and Prince Edward Island Blue. The most favoured sizes are from 2½ inches to 3 inches.

**ONIONS**

There is a good demand in the colony for No. 1 and No. 2 Canadian onions of sound stock, the best selling season being November and December. Last season Canadian onions were imported at 90 cents per 50-pound bag. Canada shipped to the value of \$11,907, or approximately 40 per cent of the total requirements. The United Kingdom was the next largest supplier with shipments valued at \$11,408. Smaller quantities came from Egypt and the United States. Merchants state that, given equal prices, Canadian onions are preferred.

**CANNED VEGETABLES**

The sale of Canadian canned vegetables in Newfoundland is increasing. A few years ago import requirements were supplied largely from the United States and the Canadian product was little known. Canadian manufacturers are now devoting more attention to the market, with the result that nearly all the well-known brands are now on sale. Tomatoes, peas, and corn are in greatest demand.

Total imports of canned vegetables in 1936 were valued at \$42,823: Canada, \$27,841; the United States, \$14,082; and the United Kingdom, \$901. There is a tariff of 60 per cent ad valorem on imported canned vegetables from all countries.

The best season for imports is in the late fall before navigation closes. Importers usually buy sufficient stocks during October and November to tide them over the winter months. The principal method of distribution is through manufacturers' agents located in St. John's. These representatives solicit orders by sample from the large wholesalers and have the goods shipped direct, cash against documents. The wholesale houses have the necessary facilities for catering to the retail trade in the numerous small towns throughout the island.

<sup>1</sup> Earlier sections of this report have been published in *Commercial Intelligence Journal* Nos. 1735, 1745, 1746, 1747, 1748 and 1749.

## CANNED SOUPS

Canada supplies approximately 75 per cent of all the canned soups consumed in the colony, but the business could be extended through a systematic advertising campaign. Canadian manufacturers should give this market more attention and send their own travellers or representatives to Newfoundland at least once every two years.

Total imports of canned soups of all kinds in 1936 were valued at \$30,638, of which Canada was credited with \$22,948 and the United States with \$7,689. The tariff on canned soups is 60 per cent ad valorem.

## BISCUITS AND CAKES

There are two manufacturers in St. John's who are in a position to supply practically the entire requirements of Newfoundland in biscuits and fancy cakes. The biscuits they produce compare favourably with the imported product. Both firms are equipped with the latest machinery, and there is an import duty of 60 per cent ad valorem. It would therefore be difficult for Canadian manufacturers to compete, particularly in low-priced lines.

During 1936 total imports of biscuits and bread, n.e.s., were valued at \$5,061, of which Canada was credited with \$3,260, and the United Kingdom with \$1,605. Imports of soda, water, and pilot biscuits (on which there is a duty of 4 cents per pound), amounted to 20,740 pounds valued at \$3,581. Canada was the principal supplier with 13,027 pounds valued at \$1,801. Imports of cake, n.e.s., totalled 16,077 pounds valued at \$3,928, of which Canada supplied 11,258 pounds valued at \$2,904. The duty on cake is 12 cents per pound.

## FRUIT IMPORTS

There is a fair market for fresh fruits in Newfoundland, particularly for fresh apples, oranges, and melons. The demand for canned, bottled, preserved, and dried fruits is steady but relatively small. According to the Newfoundland Customs returns for 1936, imports of all classes of fruits were valued at \$347,300, of which Canada was credited with over \$117,000, or 33.7 per cent. There is a tariff of 40 per cent ad valorem on bottled, canned, and preserved fruits entering the colony, but fresh fruits enter duty free. The tariff on dried fruits is 4 cents a pound.

## APPLES

Fresh apples are the most important fruit shipped from Canada. Of total imports valued at approximately \$188,000 in 1936, Canada was credited with shipments valued at \$60,000 or approximately one-third of the requirements. The United States is also an important supplier and enjoys a large share of the trade. Small shipments have been credited to the United Kingdom.

Formerly all fresh apples were imported in barrels, but there is a decided preference at the present time for boxed apples. Supplies from Canada usually arrive before the end of December, after which supplies from the United States are more in evidence. The best selling apples are Delicious, McIntosh, Ben Davis, Gano, Wagner, and Gravenstein. Delicious and McIntosh are packed in boxes of 113 to 125 apples to a box. The others are usually imported in barrels. Barrelled apples call for No. 1's, size 2½ and up, while in boxed apples the largest demand is for Delicious.

If sales of Canadian apples are to increase, more attention must be given to grading and packing. Only apples which are certified as to quality and pack should be supplied, and shipments should always be accompanied by the usual government certificate. This matter is of great importance in view of the number of complaints received from importers in Newfoundland.



## OTHER FRESH FRUITS

Imports of oranges, melons, and other fresh fruits imported into Newfoundland during 1936 were valued at \$187,780. The United States was the principal supplier, being credited with shipments of \$119,549. Canada was credited with shipments of \$60,143 and the United Kingdom with shipments of \$7,793. Much of the fresh fruit credited to Canada under this heading is not of Canadian origin. It is possible for large wholesale importers in Montreal, Halifax, and Sydney to supply their customers in Newfoundland with mixed shipments of fruit and vegetables including quantities of imported tropical and other fruits.

## DRIED APPLES

The only dried fruit imported from Canada last year consisted of apple rings from Nova Scotia. Owing to shortage of supplies last season local importers had difficulty in securing their full requirements. Dried apples when available were costing importers 8 to 9 cents per pound. One or two inquiries for dried apples were received by the Department of Trade and Commerce, Ottawa.

## CANNED FRUITS

The United States is the largest supplier of canned fruits to Newfoundland. Out of a total of \$51,000 imported last year, Canada was credited with only, \$4,380. The best selling lines are canned peaches, pears, plums, and pineapple.

The import of Canadian canned fruits is a recent development. Until a short time ago the trade in Newfoundland would not consider canned fruits from Canada, but Canadian manufacturers lately have been putting up a product which is becoming popular in the market and prospects for increased business appear encouraging.

## PICKLES, SAUCES, AND SPICES

The total imports of sauces, pickles, and spices into the colony last year were valued at more than \$55,000, of which Canada supplied 52 per cent. Several well-known Canadian brands are already on sale and a number of inquiries have been received from importers interested in these commodities. The import duty of 60 per cent, however, makes it necessary to sell at prices which few can afford.

## MISCELLANEOUS PRODUCTS

## AERATED WATERS

There is very little opportunity for the sale of Canadian aerated waters in Newfoundland owing to the fact that there are five or six local concerns in St. John's manufacturing mineral waters of all kinds. With an import duty of 65 per cent, Canadian firms cannot compete in the finished product, and it is better for them to cater to the requirements for syrups and other materials that are necessary in the manufacture of aerated waters.

## TEA, COFFEE, AND COCOA

There is a fairly large market for tea, coffee, and cocoa in Newfoundland. In 1936 imports of tea amounted to 1,266,838 pounds valued at \$385,805, of coffee to 137,399 pounds valued at \$29,985, and of cocoa and chocolate to 104,018 pounds valued at \$17,856. Most of the tea is imported direct from Ceylon, but Canada shipped 33,161 pounds valued at \$10,005 during the year. The tea supplied from Canada is principally packaged tea of well-known brands, the demand for which has been built up over many years.

The United States is the largest supplier of coffee to Newfoundland; Canada also supplies large quantities. Imports from the two countries during 1936

amounted to 77,900 pounds, valued at \$13,714 for the United States and 46,938 pounds valued at \$13,184 for Canada.

The United Kingdom is the chief supplier of cocoa and chocolate in this market, followed by the United States. Canada's share amounted to only 4,234 pounds valued at \$456.

#### ALCOHOLIC BEVERAGES

Total imports of alcoholic beverages into Newfoundland last year were valued at \$86,886, of which Canada supplied approximately \$33,000, or 37.9 per cent. The principal imports from Canada consisted of spirits containing not more than 30 per cent alcohol valued at \$19,592; beer, ale and porter, at \$6,712; and spirits containing over 30 per cent alcohol, at \$5,727. Rum is the alcoholic beverage that has the largest sale; it is imported direct from Jamaica. Scotch whisky is next in favour. There seems to be little demand for gin or rye whisky, and the cocktail habit is practically unknown. Wines in fairly large quantities are imported direct from Spain, Portugal, and the United Kingdom. Much of the wine imported from Spain and Portugal is in exchange for Newfoundland codfish. All liquor sold in Newfoundland is handled through the Government Liquor Control Board and is sold, as in Canada, by Government vendors.

#### MISCELLANEOUS FOOD PRODUCTS

Fruit juices and syrups to a value of \$7,525 were imported for use by manufacturers of aerated waters. Hops are required by the local breweries, of which there are three in the city of St. John's.

There is a large demand for salt, which is essential to certain industries in Newfoundland. In 1936 salt for curing fish was imported in bulk, chiefly from Portugal, to the extent of almost 55,000 tons valued at \$131,477. Salt for butterine manufacture is purchased from the United Kingdom and Canada and was valued at \$3,029. Table or dairy salt imports totalled \$8,433, practically all of which was supplied by Canada. One of the important salt-producing companies in Canada maintains its own branch office in St. John's.

The sale of Canadian-made yeast has shown a great increase in recent years. Out of total imports in 1936 valued at \$102,178, Canada is credited with \$72,556 and the United States with the remainder. In spite of a duty of 60 per cent, the import of yeast into Newfoundland is increasing from year to year. One well-known Canadian brand is firmly established and has its own distributing warehouse located in St. John's.

Of the miscellaneous food products imported in 1936 valued at \$360,386, Canada supplied approximately 34 per cent of total requirements.

#### TOBACCO AND CIGARETTES

Imports of tobacco and cigarettes in 1936 were valued at \$150,334, of which \$27,276 originated in Canada, or about 18 per cent of the total requirements.

There is a branch factory of one of the Anglo-American companies located in St. John's which manufactures at least 75 per cent of the cut tobaccos and cigarettes used in Newfoundland.

With the help of a high tariff the local industry produces cigarettes which can be sold at approximately \$1 per 1,000 lower than the same brand if imported. In addition to certain brands which are also sold in Canada, there are a few local brands such as Flag, Gem, Wings, and others which are lower in price and enjoy the largest share of the business. Flags sell at \$9.25 per 1,000; Gems at \$10.45 per 1,000, and Wings at \$10.90 per 1,000 wholesale. All are packed in cardboard boxes of ten.



There is a good demand for smoking tobacco, both plug and cut varieties. Plug tobacco such as Master Workman wholesales at \$1.58 per pound in caddies of 15 pounds, while Jumbo brand in 7- and 21-pound caddies sells at 82 cents per 4 ounces, and Beaver in the same package sells at 78 cents per 4 ounces. There is also a fair demand for chewing tobacco such as American Eagle which wholesales at \$1.10 per pound; Big Ben in two-pound tins, 19 plugs to a tin, which sells at \$1.37 per pound, and Battle Axe in 14-ounce plugs which sells at \$1.55 per pound.

A large number of cut tobaccos are on the market, many of which are good selling lines in Canada. Cut tobaccos are usually packed in two-ounce tins and sell at from \$1.50 to \$3.85 per dozen tins wholesale.

Owing to high duties imported cigarettes and tobaccos are expensive compared with the locally manufactured product, and for this reason the possibilities for increasing the export of Canadian tobaccos and cigarettes does not appear encouraging.

## ADVERTISING IN THE INDIAN MARKET

PAUL SYKES, CANADIAN TRADE COMMISSIONER

Calcutta, July 5, 1937.—A report published in *Commercial Intelligence Journal* No. 1550 (October 14, 1933) provided a review of basic conditions affecting the necessity for, value, and means of advertising in the Indian market. The following statement will attempt to bring some of this information up to date and to offer several concrete suggestions to Canadian firms who are, or may be, interested in the problem.

### GENERAL

The great bulk of India's population of almost 400,000,000 cannot be regarded as providing an actual or even potential demand for many of the Dominion's exports to this territory. The market, in fact, except for industrial and raw materials, is limited in extent to the European residents and the upper strata of the Indian population and as such amounts to a total of no more than a few millions, while in the case of goods which could conceivably be classed as luxuries it is even smaller.

The Indian market is also an extremely competitive one and, in the case of many commodities, is indifferent to all considerations except that of price. It is one as well in which goods of domestic manufacture are gaining considerable headway not only on account of cost but also as a result of their adaptation to particular and varying local demands.

Advertising appears to have acquired an unwarranted reputation as a means of initiating and extending the sale of various goods in India. This opinion is based primarily on the essential possibilities inherent in the market, on its own insistence on the price factor, and on the heavy expense involved. It is nevertheless to be noted that, in order to overcome the indifference of the average retailer and in the case of certain products, it may still be of appreciable value to some Canadian firms whose goods are sold throughout or in parts of this territory.

### APPLICATION TO COMMODITIES

Reports from this office will have indicated that Canadian trade to the Indian market is composed to a large extent of lumber, newsprint paper, metals, chemicals, and various other commodities for use in manufacturing or for other industrial purposes. Such goods are invariably bought and sold on a basis of price alone, and, except possibly in the case of a country-wide publicity campaign of a general nature and financed by export interests, do not require to be

advertised or otherwise brought regularly before the attention of the trade or the public. It is their value, as compared with competitive goods, which enables them to be sold, and exporters need only advertise such products and their own service by supplying stipulated qualities and giving strict attention to correspondence and the specifications and instructions of their local connections.

Several other Canadian goods which are exported to India are, however, adaptable to advertising. The first example is that of motor cars, the sale of which is assisted by publicity in various forms, arranged by the local branches of Canadian manufacturers. Canadian fresh fruits are advertised by the retailers who stock them as of high quality and a novelty on the market. Various canned and bottled provisions are subject to periodical advertising also, although to a strictly limited extent. Such commodities as patent medicines, building board, and wire fencing are also given occasional and general publicity.

Most of the advertising at present accorded to Canadian products is in the form of more or less standard insertions in daily newspapers. Some patent medicines have been brought to the attention of the medical community and the public through other media, but it cannot be said on the whole that, to date at least, various Canadian goods have been given the diversified advertising which has been applied to many similar commodities by other foreign exporters or their local distributors.

#### ADVERTISING METHODS

With several essential differences, the general technique of advertising is the same in India as in most other countries. Brief notes on the value of several methods are given herewith.

*Newspapers and Periodicals.*—Newspapers provide the most popular advertising medium in India. Rates are generally high in comparison with circulation, but this method is a valuable one in the case of household and personal equipment, foodstuffs, and many other goods which go into general consumption. There is a large variety of daily papers published in all the principal cities and in both English and local languages or dialects. Sunday or weekly editions are favoured by many advertisers owing to their larger circulation. The number of trade papers is small, but several of these are of interest to distributors of machinery and industrial materials.

*Circulars and Handbills.*—This method of advertising is generally applied to foodstuffs, beverages, and medicines of domestic manufacture and for sale to the purely Indian section of the market. It is inexpensive and easily arranged but is not particularly adaptable to foreign goods.

*Bill-boards and Posters.*—The use of bill-boards and posters is very limited. Such goods as are customarily advertised by this means in Western countries will not, as a rule, stand the cost involved while, for various reasons, there are few concerns throughout India which have facilities for the maintenance and service of bill-boards. Posters are utilized to a limited degree but their use, again, is restricted to the advertising of local products. They are pasted on walls, when possible, and are carried by sandwich-men or on low carts made for this special purpose.

*Direct Mail Advertising.*—In so far as the Indian market is concerned, this method of advertising is of small value. It is utilized by distillers and brewers, and by booksellers and several other firms among a limited clientele but, whether carried on directly by the exporter abroad or by his Indian representative, is generally productive of few results.

*Trains, Trams, and Buses.*—Many foreign goods are given publicity through the facilities offered by transportation companies. These range from tooth-paste to motor cars. The medium is a popular one and apparently effective. The use of permanent enamelled signs on poles used by tramway, electric light, and telephone companies is also common.



*Electric Signs.*—The practice of bringing the name or quality of various goods before the public by the use of electric signs is comparatively uncommon. In several cities in India there are a few alternating or moving signs on which space and time can be rented, while permanent signs are also employed to a limited extent. In general, however, this medium finds little favour.

*Theatres.*—Cinema advertising is a fairly popular means of advancing the merits of household and personal necessities. The facilities offered by local theatre and advertising agents are considerably inferior to those available in many other countries but the method is one of the more valuable.

*Radio.*—There is no radio advertising in India; all broadcasts are controlled by the provincial or state governments and the current policy does not permit of advertising.

*Canvassing.*—Canvassing, with or without samples, is rarely employed as a means of advertising in India. The abuse of the availability of samples by unreliable employees is one of the main reasons for this situation, while variations in domestic arrangements from those of Western countries also render such a method generally unprofitable. It is still of value when restricted to some articles adaptable to demonstration by experts to the medical, engineering, and other professions.

*Premiums.*—The distribution of premiums is seldom utilized as a means of advertising products in India. Such a practice, as in the case of samples, is subject to numerous abuses, and is generally both expensive and unsatisfactory.

*Exhibitions.*—There has recently been a trend towards the holding of more trade fairs and exhibitions throughout India than has been common in the past. The movement has actually been based on a desire to extend the consumption of domestic products but has offered ample scope, at the same time, for the advertising of agricultural implements and other farm equipment as well as various foodstuffs, medicinal preparations, toilet articles, and allied goods of foreign origin. For such exporters as enjoy efficient representation this advertising medium will merit more attention than it has generally been accorded in the past.

The above are the principal advertising media available and in use in India at the present time. The practice may still be carried on through window and counter displays, by labels on match boxes and several other articles which go into universal consumption, and through various other of the more standard methods. There has been little done in the Indian market to develop or experiment with the innovations which are frequently encountered in Western countries.

#### BRANDS AND MARKS

Allied with the question of advertising media is that of brands and trade-marks. In the case not only of goods which may go into fairly universal consumption but also of articles which are sold to a restricted clientele, the choice and establishment of a readily recognizable and novel mark is of the greatest value. Its selection must be judicious as having a widespread appeal, and it must be protected, as far as possible, under existing legislation as the exclusive property of the exporter or his agent.

#### LANGUAGE

Widespread advertising campaigns in India must take account of the several hundred dialects spoken throughout the country. Operations of a more local nature or designed to reach particular sections of any community will be less

dependent on this consideration. The nature of the goods involved and the relationship of the agent to his market will generally dictate a ready solution of the problem.

#### ALLOCATION OF ADVERTISING EXPENSES

In a market such as India, where there is as yet a comparatively limited output of many goods which are required by the European and Indian residents of the cities and the minor centres of population and where supplies of these articles must be drawn from outside sources, there is a definite obligation on many exporters to support their local representatives by granting advertising allowances. It has been noted above not only that the cost of several types of advertising is rather high but also that the market is a definitely competitive one, and on these grounds each exporter must decide for himself whether he shall hold prices at a figure where such allowances can be granted or whether he will sell on a price basis alone and leave all considerations of advertising to his buyers or agents. It is not uncommon, in the case of some goods, for the shipper to assume half the total outlay, and there is a good deal to be said for such a method. There are the other cases, for example, where on the one hand brands known throughout the world must be kept before the public, and on the other where goods which are not adaptable to advertising must be sold on a price basis alone. This whole question is one which necessitates thorough consultation between the exporter and his Indian representatives and where decisions of importance should be only made following detailed explanation and experiment.

#### CONCLUSION

Although current expenditure on the advertising of Canadian products in India is probably considerably larger than that in various other markets to which exports are much higher, it is still to be noted that the practice is regarded by many local firms as essential to the introduction and sale of a large number of commodities. It undoubtedly compensates for lack of initiative in some cases, and to the same or a greater degree puts a premium on intensive sales work, but whether in these or other circumstances Canadian firms should give every consideration to proposals on the subject submitted by agents in whom they have thorough confidence is a matter for them to decide. The agent himself may undertake a campaign, or he may do so in co-operation with a recognised agency, of which there are several available and whose services are frequently well worth the commissions involved.

The important point may be made in conclusion that, except at the commencement of a thoroughly planned sales campaign or when ample stocks are available and in the hands of distributors, expenditures on advertising are to be avoided. Even more emphasis may be placed on the suggestion that the best advertising which can be accorded to any well-made goods is the selection of competent and active representatives and minute attention to their or their customers' requirements.

### TRADE OF TANGANYIKA TERRITORY, 1936

H. W. BRIGHTON, ACTING TRADE COMMISSIONER

Cape Town, July 7, 1937.—During 1936 the value of the domestic exports of Tanganyika were the highest ever recorded, exceeding the peak year of 1928 by nearly 17 per cent, and 1935 exports by 31 per cent. With the exception of coffee and tobacco, all staple products of the territory shared in the increase; prices in general were higher and weather conditions favourable.

The value of imports was less than had been anticipated. There is room for expansion in the import trade, which could be brought about by the stimulation and supply of native requirements.



Individual production by the natives is increasing; this was responsible for the record in quantity and value of cotton exports, and in the quantities of ground nuts, rice, and ghee produced. The native's purchasing power is therefore higher, and there are many lines of goods which, if brought to his notice, would encourage him to purchase in appreciable quantities.

Prospects for 1937 are considered very good, should prices for copra, oil seeds, hides and skins, and cotton remain more or less steady. It is hoped that coffee production will recover and the output of sisal continue as at present. Mining activities have set a new record for six consecutive years, and this may be reasonably expected to continue.

The total volume of trade for the past three years is shown in the following table, the increase in each case being exclusive of transit and transshipment goods and of bullion and specie. Unrefined gold from the goldfield of the territory is, however, included in the export totals.

	1934	1935	1936
Trade imports . . . . .	£2,241,354	£2,854,480	£3,201,013
Government imports . . . . .	101,831	135,120	155,847
<b>Total imports . . . . .</b>	<b>£2,343,185</b>	<b>£2,989,600</b>	<b>£3,356,860</b>
Domestic exports . . . . .	£2,645,283	£3,445,143	£4,516,284
Re-exports . . . . .	211,306	278,545	289,674
<b>Total exports . . . . .</b>	<b>£2,856,589</b>	<b>£3,723,688</b>	<b>£4,805,958</b>
<b>Volume of trade . . . . .</b>	<b>£5,199,774</b>	<b>£6,713,288</b>	<b>£8,162,818</b>

Trade imports did not improve in the same proportion as domestic exports, which passed the £4,000,000 mark, thus establishing a record. The highest previous figure was £3,873,523 in 1928. As compared with 1935, the increase in exports was 31 per cent, or £1,071,141. There was, however, an increase of 12 per cent in trade imports over 1935, amounting to £346,533. The total volume of trade increased by nearly one and a half million pounds sterling, and was only 1·3 per cent below that of the year 1929, when the territory reached its highest point of prosperity. The favourable balance of visible trade was nearly double that of 1935.

#### IMPORT TRADE

Total imports, exclusive of bullion and specie, increased over 12 per cent. In 1935 the total was £2,989,600, whereas in 1936 it had increased by £367,260 to £3,356,860. The principal sources of supply were as follows, with the 1935 percentage shown within parentheses:—

The United Kingdom was the principal source of supply with 27·2 (29) per cent of the total, followed by Japan with 23·3 (22) per cent; Germany, 14·1 (10·7); Kenya and Uganda, 8·3 (9·6); United States, 6·5 (6·3); British India, 5 (5); Dutch East Indies, 3·6 (4·1); Holland, 1·4 (1·4); Belgium, 1·3 (1·3); and France, 0·8 (1).

An improvement was shown in imports from the United Kingdom in motor vehicles and motor cycles, cigarettes, chemical products, explosives, and rubber tires and tubes, while there were decreases in the values of machinery, cotton piece-goods, cement, and electrical goods. India retained her relative share in the imports, with increases in gunny bags and cottons; Japan headed the list of foreign countries, and her increase was mainly due to larger imports of cotton goods, wearing apparel, cement, and mosquito netting. Germany enjoyed the greatest proportionate increase, and the chief articles responsible for this increase were machinery, light railway equipment, vehicles and parts.

## PRINCIPAL IMPORT COMMODITIES

The principal articles imported during the past two years, shown under value, and as percentage of totals, were as follows:—

	1935		1936	
	£	Per Cent	£	Per Cent
Cotton piece-goods . . . . .	601,704	20.1	648,516	19.3
Machinery . . . . .	243,241	8.1	258,349	7.7
Other foodstuffs . . . . .	147,484	4.9	171,710	5.1
Motor spirit . . . . .	135,993	4.5	171,435	5.1
Iron and steel manufactures . . . . .	112,080	3.8	162,595	4.8
Building materials . . . . .	107,552	3.6	135,074	4.0
Motor lorries . . . . .	105,353	3.5	124,844	3.7
Apparel (including underwear, hosiery, hats and caps) . . . . .	95,194	3.2	116,480	3.5
Cigarettes . . . . .	70,776	2.4	81,122	2.4
Motor cars (touring) . . . . .	62,191	2.1	70,481	2.1
Tools and implements . . . . .	67,340	2.3	60,266	1.8
Petroleum, lamp oil . . . . .	47,938	1.6	51,304	1.5
Jute bags and sacks . . . . .	42,665	1.4	48,914	1.5
Sugar . . . . .	82,399	2.8	43,785	1.3
Flour, wheat . . . . .	37,136	1.2	43,744	1.3
Spirits . . . . .	36,175	1.2	38,094	1.2
Drugs and medicines . . . . .	31,780	1.0	37,383	1.1
Tires and tubes . . . . .	31,857	1.0	35,757	1.1
Blankets, cotton . . . . .	21,645	0.7	33,077	1.0
Boots and shoes . . . . .	19,256	0.6	31,683	0.9
Grain . . . . .	41,045	1.4	31,642	0.9
Fuel oil . . . . .	27,037	0.8	30,306	0.9
Lubricating oil . . . . .	31,781	1.0	30,181	0.9
Wines and beer . . . . .	28,285	1.0	29,984	0.9
Artificial silk . . . . .	27,485	0.8	26,428	0.8
Wireless apparatus . . . . .	7,997	....	10,913	0.3

The principal articles included under the heading of "foodstuffs, other," for the past three years, in value, are as follows:—

	1934	1935	1936
Other provisions . . . . .	£23,349	£34,273	£37,410
Maize meal and flour . . . . .	26,178	21,033	20,521
Milk, condensed . . . . .	13,180	12,345	17,676
Tea . . . . .	14,862	15,515	14,890
Butter . . . . .	8,212	8,421	10,373
Confectionery . . . . .	7,379	8,537	10,194
Spices . . . . .	7,581	10,043	9,476
Fruit, preserved . . . . .	4,335	5,272	7,182
Fish, cured and salted . . . . .	4,658	4,890	5,557
Garlic and onions . . . . .	3,472	4,136	5,364
Biscuits . . . . .	4,218	4,503	5,252
Ghee . . . . .	6,165	5,697	5,050
Bacon and ham . . . . .	4,587	4,506	4,678
Meat, preserved . . . . .	2,827	2,947	4,167
Fish, canned . . . . .	2,950	3,029	3,875
Cheese . . . . .	2,391	2,274	2,734
Salt . . . . .	1,002	573	1,587

All imported foodstuffs showed increases in total value, with the exception of corn meal and flour, tea, spices, and ghee: the greatest relative increase was in condensed milk imports, which were higher by 43 per cent in value.

## IMPORTS FROM CANADA

Imports from Canada, with corresponding figures for 1935 within parentheses, chiefly consisted of:—

Motor cars, £22,126 (£20,607); motor vehicles and parts, n.e.e., £9,078 (£10,320); motor truck tires, £1,252 (£1,053); wood, planed, smoothed, tongued and grooved, £625 (£352); motor car tires, £519 (£915); plywood and pulpboards, £449 (£233); canned or preserved fish, £326 (£181); fresh fruits and vegetables, £248 (£111); miscellaneous goods, £218 (£26); motor truck tubes, £167 (£118); industrial machinery and parts, £161 (£706); milk, condensed, £110 (£289); rubber manufactures, n.e.e., £103 (£4); asbestos, £101 (—).



## EXPORT TRADE

Domestic exports increased in value from £3,445,143 in 1935 to £4,516,284 in 1936, an increase of 31 per cent, or £1,071,141.

The chief countries of destination of domestic exports are as follows, with percentages, those within parentheses being for the year 1935: United Kingdom, 32.2 (31.3); Kenya and Uganda, 16.1 (22.9); Belgium, 12.7 (10); Germany, 7.2 (7.3); United States, 6.9 (3.8); British India, 5.9 (9.3); France, 3.8 (3.7); Holland, 3.2 (1.9); Japan, 2.3 (0.4); Union of South Africa, 1.5 (1.3); Italy, 1.2 (0.8); Zanzibar, 0.8 (1.3).

The rise in sisal values and the greater production of gold, ground nuts, and cotton were the main causes of the increase in total value of exports to the United Kingdom. Sugar, ghee, and tea are also responsible.

Belgium again headed the list of foreign customers. The increase credited to that country was largely due to sisal, the same commodity being responsible for a large relative increase in the value of exports to the United States and Holland. France was the biggest purchaser of copra, and doubled her requirements in hides and skins, partly, however, at the expense of groundnuts. Exports to Italy nearly doubled in volume but changed in character, groundnuts and sesame displacing hides and sisal. Japan took 16 per cent of the total crop of cotton.

## PRINCIPAL EXPORTS

The following table shows the values of the principal exports, with the percentage of the total, for the past two years:—

	1935		1936	
	£	Per Cent	£	Per Cent
Sisal . . . . .	1,134,732	32.9	1,873,312	41.5
Cotton . . . . .	569,547	16.5	640,625	14.2
Gold . . . . .	369,742	10.8	489,796	10.8
Coffee . . . . .	486,842	14.1	342,990	7.6
Groundnuts . . . . .	210,018	6.1	277,226	6.1
Hides . . . . .	131,265	3.8	160,864	3.6
Copra . . . . .	38,247	1.1	82,246	1.8
Cordage, rope and twine . . . . .	52,074	1.5	75,942	1.7
Rice . . . . .	66,917	2.0	73,508	1.6
Sesame . . . . .	43,606	1.3	56,738	1.3
Beeswax . . . . .	46,260	1.4	52,040	1.1
Skins, sheep and goat . . . . .	21,867	0.6	46,675	1.0
Ghee . . . . .	24,477	0.7	34,144	0.8
Tobacco (all forms) . . . . .	48,226	1.4	25,700	0.6
Grain, other than rice . . . . .	21,122	0.6	21,345	0.5

There was a slight decrease in the production of sisal, due largely to labour and climatic factors, but record values were reached in the exports.

Record figures were reached in the production of cotton, gold, rice, groundnuts, and ghee, while recovery was shown in copra. Coffee production in the years 1933, 1934, and 1935 showed annual increases, but in 1936 it fell by 35 per cent as compared to 1935. Continued improvement was shown in the exports of sisal twine and skins, and the production of other staple commodities was, on the whole, well maintained.

The principal exports to Canada, with the 1935 figures shown within parentheses, were: sisal, £118,427 (£51,200); cordage, rope, and twine, £3,588 (£17,471); tow, £2,642 (£7); coffee, hulled, £1,833 (—); beeswax, £1,810 (£1,375).

## TRADE COMMISSIONERS ON TOUR

The following Canadian Trade Commissioners are now on tour in the Dominion: Mr. J. H. English, London, England; Mr. F. W. Fraser, Kingston, Jamaica (whose territory covers Jamaica, Haiti, the Bahamas, and British Honduras); Mr. G. R. Heasman, Cape Town, South Africa (whose territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar); and Mr. L. S. Glass, Rio de Janeiro, Brazil. Their itineraries are as follows:—

### Mr. English

Vancouver and Victoria . . . . .	Aug. 30 to Sept. 20	Winnipeg . . . . .	Sept. 27 and 28
Vernon . . . . .	Sept. 22	Fort William . . . . .	Sept. 29
Kelowna . . . . .	Sept. 23	Ottawa . . . . .	Oct. 1 to 8
Calgary . . . . .	Sept. 24		

### Mr. Fraser

Digby, Yarmouth, and Carleton . . . . .	Aug. 30	Truro and Pictou . . . . .	Sept. 8
Lockeport, Liverpool and South Brookfield . . . . .	Aug. 31	Charlottetown . . . . .	Sept. 9 and 10
New Germany, Lunenburg, Bridgewater and Mahone Bay . . . . .	Sept. 1	Port Elgin, Amherst and Sackville . . . . .	Sept. 11 to 13
Halifax . . . . .	Sept. 2 to 4	Sussex and Fredericton . . . . .	Sept. 14
Stewiacke and Kentville . . . . .	Sept. 7	Grand Falls . . . . .	Sept. 15
		Quebec . . . . .	Sept. 16 and 17
		Grand'Mere and Terrebonne . . . . .	Sept. 18
		Montreal . . . . .	Sept. 20 to Oct. 9

### Mr. Heasman

Moncton . . . . .	Aug. 16	Ottawa . . . . .	Sept. 16
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### Mr. Glass

London . . . . .	Aug. 16	Halifax . . . . .	Aug. 24 and 25
Windsor . . . . .	Aug. 17	Montreal . . . . .	Aug. 27 to Sept. 8
Saint John . . . . .	Aug. 20 and 21	Ottawa . . . . .	Sept. 27

Firms who wish to be brought in touch with the Trade Commissioners should communicate for Vancouver, Winnipeg, and Toronto, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres with the respective Board of Trade or Chamber of Commerce.

## ECONOMIC CONDITIONS IN SWEDEN, JANUARY TO JUNE

RICHARD GREW, CANADIAN TRADE COMMISSIONER

Oslo, July 21, 1937.—In most branches of economic activity excellent conditions continue to prevail. The business activity index of one of the leading Swedish banks, which is based on the clearing of commercial paper, shows for the second quarter of 1937 an increase of about 28·6 per cent in the volume of trade as compared with the peak year of 1929 and 11·8 per cent as compared with the previous quarter. Industrial production, according to estimates made by the Federation of Swedish Industries, has risen about 42 per cent above the level of 1929 and about 9 per cent above that of last year. Estimates from a different source indicate that, broadly speaking, industrial companies consider the demand for labour is greater than at any previous time.

### LABOUR

At the end of May the autumn crops were in general promising, and there is every indication of a bumper crop of hay. The improved market for the products of the timber industries will presumably entail a large demand for labour for timber floating and also for extensive timber cutting in the summer. In view of these circumstances, the shortage of labour for agriculture, which had



been previously rather serious, is further aggravated. Owing to the great industrial activity, there has been a definite scarcity of skilled labour in many branches, and in most parts of the country unemployment is insignificant. In the building trades a stoppage of work, which involved about 20,000 labourers, continued for the greater part of the second quarter, but was finally settled in the middle of June. This was the only serious labour difficulty which occurred during the period under review.

#### POSITION OF THE KRONA

During the first five months of 1937 considerable discussion has taken place both in Sweden and abroad as to the possibility of the Swedish krona being appreciated in terms of the pound sterling. Recently, renewed assurances have been made from official quarters to the effect that the authorities concerned do not anticipate an appreciation of the krona against sterling within a measurable future. These assurances, in conjunction with measures recently taken, and which are designed to strengthen the financial powers of the Riksbank in case of emergency, have been sufficient to allay any fears of a change in the monetary policy. It is realized that to check a too sharp rise of prices by appreciation of the krona would, from many points of view, be undesirable and should not be resorted to except for very formidable reasons.

#### MEASURES FOR CONTROL OF MONEY MARKET

Certain measures, however, have been considered to control the money market so that any drastic rise in prices may be counteracted, among which are the following:—

1. Open market operations on the part of the Central Bank, and stricter regulations regarding the cash reserves of commercial banks.
2. The National Debt Office has been provisionally authorized to supply the Central Bank with Government securities so that, when necessary, the Central Bank may affect the money market by their sale.
3. Commercial banks are required to hold at least 25 per cent of their sight deposits in very liquid assets. In accordance with a new provisional law, the Government may oblige commercial banks to hold a certain proportion of these assets on deposit at the Central Bank if it is considered necessary in view of abnormal circumstances.
4. The Central Bank could influence the money market by paying interest on certain deposits.
5. The Government has the power to reduce provisionally customs duties for monetary purpose.
6. A credit of kronor 70,000,000 has been granted for the purchase of goods abroad for storage in Sweden for the account of the State. It is suggested that the necessary foreign exchange for these purchases shall be obtained from the Central Bank against State bonds which the bank may use for open market operations.
7. By overbalancing the budget.

At the time of writing the nervousness regarding a possible appreciation of the krona has been dissipated, but the effects of this nervousness are still evident as a result of the action taken by Swedish importers to secure themselves against losses in exchange as well as foreign speculation.

#### WOOD, PULP, AND PAPER

As regards the main industrial groups, the saw-mills have now sold approximately 75 per cent of their output for the year, and it is anticipated that the demand for wood goods will completely absorb the total production. In addition, the pulp mills have sold their entire estimated production for the year, and orders for about 75 per cent of the production of chemical pulp in 1938 have already been booked, as well as more than half the 1938 production of mechanical pulp.

Paper mills are showing caution in making long-term contracts at fixed prices in view of the difficulty of forecasting the trend in prices for raw materials. Newsprint mills are fully engaged, and it is impossible to secure delivery of large lots for the remainder of the year. The mills engaged in the wrapping paper industry are well supplied with orders at the beginning of the summer, when the slack season usually commences.

### IRON AND STEEL

The consumption of iron and steel continues to be heavy, although the demand was somewhat affected by the strike in the building trade. There is also a strong demand for Swedish iron in foreign countries, but the Swedish iron works are so fully occupied with production for domestic consumption that it has been necessary to ration orders on account of a shortage of raw materials. The production statistics of the Federation of Swedish Industries indicate that the engineering and closely related industries have markedly increased their production. In practically all lines of manufacture the activity has increased.

### FOREIGN TRADE

The foreign trade of Sweden has continued to expand, and for the first five months of 1937 exports were valued at kronor 672,000,000 as compared to kronor 531,000,000 for the corresponding period of 1936, an increase of kronor 141,000,000. On the import side the advance has been even more pronounced, the value of imports increasing to kronor 819,000,000 from kronor 634,000,000, a gain of kronor 185,000,000. At the end of the five months' period the adverse balance amounted to kronor 147,000,000 as compared to kronor 103,000,000. This is the largest unfavourable balance recorded since 1931 for the five months' period.

The following two tables show the volume of imports and exports of the main items for the January-to-April period during 1936 and 1937:—

#### *Principal Imports into Sweden*

		Jan.-April, 1936	Jan.-April, 1937
Maize, unmilled . . . . .	1,000 kg.	23.134	84.512
Oats, unmilled . . . . .	1,000 kg.	4.299	9.524
Wheat, unmilled . . . . .	1,000 kg.	14.418	15.641
Coffee . . . . .	1,000 kg.	15.660	16.496
Sugar . . . . .	1,000 kg.	45	5,199
Cotton . . . . .	1,000 kg.	11.531	12.055
Hides, undressed . . . . .	1,000 kg.	6.535	6.285
Mineral oils . . . . .	1,000 kg.	288.555	313.112
Oil cakes . . . . .	1,000 kg.	40.465	67.520
Sodium nitrate and calcium nitrate . . . . .	1,000 kg.	47.878	27.212
Coal and coke . . . . .	1,000 kg.	2,225.371	2,415.221
Pig iron and scrap iron . . . . .	1,000 kg.	30.981	46.923
Copper, unwrought . . . . .	1,000 kg.	14.231	15.042
Automobiles . . . . .	Number	3.707	5.651

#### *Principal Exports from Sweden*

		Jan.-April, 1936	Jan.-April, 1937
Bacon . . . . .	1,000 kg.	4.477	4.826
Butter, natural . . . . .	1,000 kg.	5.059	6.828
Cattle hides, undressed . . . . .	1,000 kg.	3.626	4.268
Wood goods:			
Unwrought and hewn . . . . .	1,000 cu.m.	87	94
Boards and battens, sawn but unplanned . . . . .	1,000 cu.m.	280	217
Planed boards . . . . .	1,000 cu.m.	118	87
Total . . . . .	1,000 cu.m.	485	398



*Principal Exports from Sweden—Concluded*

	Jan.-April, 1936	Jan.-April, 1937
Wood-pulp (dry weight):		
Mechanical . . . . .	1,000 kg. 61,015	58,927
Sulphite . . . . .	1,000 kg. 273,068	298,228
Sulphate . . . . .	1,000 kg. 191,282	201,102
Total . . . . .	1,000 kg. 525,365	558,257
Paper and cardboards:		
Newsprint . . . . .	1,000 kg. 67,704	66,842
Other paper and cardboard . . . . .	1,000 kg. 138,238	153,884
Total . . . . .	1,000 kg. 205,942	220,726
Iron ore . . . . .	1,000 kg. 3,230,825	3,826,015
Stone . . . . .	1,000 kr. 2,667	3,514
Matches . . . . .	1,000 kg. 4,815	5,372
Iron and steel:		
Pig iron . . . . .	1,000 kg. 27,558	38,141
Malleable iron and steel . . . . .	1,000 kg. 34,508	45,642
Total . . . . .	1,000 kg. 62,066	83,783
Ball bearings . . . . .	1,000 kr. 11,216	12,751
Motors (combustion and explosion) . . . . .	1,000 kr. 3,393	3,411
Electrical machines . . . . .	1,000 kr. 6,938	8,739
Separators . . . . .	1,000 kr. 4,637	6,754
Telephone and telegraph apparatus . . . . .	1,000 kr. 2,489	2,431

# WHEAT FLOUR INDUSTRY IN JAPAN

T. J. MONTY, ASSISTANT TRADE COMMISSIONER

Tokyo, July 13, 1937.—Owing principally to higher prices for wheat flour resulting in reduced consumption in Japan's principal export markets, domestic production in 1936 has shown a reduction as compared with 1935.

## PRODUCTION AND EXPORTS

In 1929 flour production amounted to 29,000,000 bags, and by 1935 this had increased to 46,000,000 bags. The output in 1936, estimated at 40,000,000 bags—a regression of 13·7 per cent from the previous year—was approximately the same as in 1933.

Flour exports in 1936 have shown a marked decline from the immediately preceding years. Total exports in 1929 amounted to over 10,000,000 bags, and gradually increased to 17,500,000 bags in 1935. Exports in 1936, however, declined to 9,000,000 bags.

The following table shows production and exports of wheat flour in and from Japan since 1929:—

	Annual Output	To Foreign Countries Figures in 1,000	Exports To Colonies Bags of 49 Lbs.	Total
1929 .. .. .	29,408	8,271	2,553	10,824
1930 .. .. .	31,374	5,397	2,423	7,820
1931 .. .. .	35,164	6,080	2,238	8,318
1932 .. .. .	35,462	9,976	2,136	12,112
1933 .. .. .	40,220	14,321	1,906	16,227
1934 .. .. .	38,410	11,954	2,574	14,528
1935 .. .. .	45,936	13,109	4,376	17,485
1936 .. .. .	39,637	5,890	3,149	9,039

## PRINCIPAL MARKETS

The above figures show that exports to the colonies, comprising Korea and Formosa, represent a fair share of the export market. In 1935 these represented 25 per cent of the total; in 1936, 35 per cent of the reduced exports.

According to countries of destination, until 1936 the best markets for Japanese-milled flour were Manchukuo and Kwantung Province. Shipments to these territories alone in 1935 totalled 12,000,000 bags, or 68 per cent of the entire trade. These, together with exports to Korea and Formosa, totalled 16,350,000 bags out of 17,500,000 bags, or 93 per cent of the total exports in 1935. In 1936 they dropped to 9,039,000 bags, or about one-half of the 1935 figures. The reduction is principally attributable to the fact that shipments to Manchukuo and Kwantung Province dropped from 12,000,000 bags to 5,000,000 bags as a result of milling developments in Manchukuo and the rise in prices.

It is possible that, consequent upon these developments, exports of flour to Manchukuo and Kwantung Province may not regain their former position. China, which at one time was Japan's most important customer, has reduced its imports to negligible quantities, but the Philippine Islands have been, on the whole, increasing their purchases.

### IMPORTS

The following table shows the imports of flour into Japan for the past four years:—

	Sacks	Yen
1934 . . . . .	45,295	146,010
1935 . . . . .	93,485	326,463
1936 . . . . .	1,012,996	3,471,508
1937 (January-May) . . . . .	307,441	1,427,465

From this table it would appear that imports had suddenly increased in 1936. This, however, is more apparent than real, and is owing to the fact that since July, 1936, a new method of compilation of import trade statistics has come into effect whereby imports in bond were included with customs-cleared imports. The majority of imports in 1936 were, as in previous years, for re-export, as relatively small quantities of foreign flour are consumed in Japan.

In 1934 imports of wheat flour from Canada constituted over 50 per cent of the total imports, and in 1935 they had risen to 67 per cent. Detailed figures are not yet available for 1936.

In view of the fact that Canadian wheat flour is used in the making of high-grade breads and confectionery as well as seasoning material and other so-called luxury articles, it is probable that, under the present strict exchange control, imports in 1937 may be considerably restricted.

## PRELIMINARY FORECAST OF JAPANESE GRAIN CROPS, 1937

A. K. DOULL, ACTING COMMERCIAL SECRETARY

Tokyo, July 14, 1937.—In spite of the fact that the Farmers' Co-operative Society predict a decrease in grain crops for 1937, the Ministry of Agriculture and Forestry expect larger yields in wheat and barley in Japan than in 1936, although rye crops are expected to show a decline. The acreage under cultivation is 1 per cent greater than in 1936. Wheat acreage shows an increase of 4·8 per cent (1,769,533 acres); rye decreased by 2·9 per cent (1,054,738 acres); and barley by 2·9 per cent (810,874 acres).

Wheat crops are expected to amount to 48,787,998 bushels, an increase of 9·8 per cent; barley to 33,553,110 bushels, an increase of 6·4 per cent; and rye to 28,937,483 bushels, a decrease of 0·1 per cent. Comparing these estimates with the last five years' average crop, wheat will show an increase of 15·5 per cent, and barley and rye decreases of 3·2 and 4·4 per cent respectively.



## JAPANESE SPRING SILK COCOON CROP REPORT

T. J. MONTY, ASSISTANT TRADE COMMISSIONER

Tokyo, July 19, 1937.—A report just issued by the Ministry of Agriculture and Forestry estimates the production of spring silk cocoons at 348,344,264 pounds for 1937. Compared with the previous year this estimate shows an increase of 1.8 per cent. This slight increase is due chiefly to favourable climatic conditions prevalent during the growing season.

Of the total estimated yield, 246,114,459 pounds are white cocoons and 102,229,805 pounds yellow cocoons. In 1935 production was 365,207,908 pounds, and in 1936, 342,191,582 pounds.

Stocks of raw silk in Japan as at June amounted to 18,413,720 pounds, including stocks held by the Government of 6,438,273 pounds. Classified according to methods of silk reeling, filature stocks comprise 93.8 per cent of the total with 17,279,700 pounds, handreeled 2.7 per cent (502,128 pounds), and doupions 3.5 per cent (631,892 pounds). According to localities, domestic production amounted to 18,194,304 pounds (98.8 per cent), territorial production to 200,106 pounds (1.1 per cent), and foreign production to 19,310 pounds (0.1 per cent).

As to the proportion of white and yellow cocoons in the stocks of raw silk, 91.9 per cent of the total were from white cocoons, and the remaining 8.1 per cent from yellow cocoons.

Stocks of cocoons in Japan as at June amounted to 33,603,337 pounds, 29,581,045 pounds (88 per cent) of which were graded cocoons, 1,127,974 pounds (3.4 per cent) doupions, and 2,894,318 pounds (8.6 per cent) waste cocoons. Classified as to crops, the spring crop represented 39.4 per cent and the summer-autumn crop 60.6 per cent. According to varieties of cocoons, white cocoons constituted 89.3 per cent and yellow cocoons 10.7 per cent.

## TARIFF CHANGES AND CUSTOMS REGULATIONS

### Australia

#### TARIFF DECISIONS

Recent decisions of the Australian Department of Customs as to the classification and rates of duty on articles regarding which question had been raised include the following:—

Cover board, photo mount board, and cover paper, for use only in the manufacture of photographic albums, photographic mounts, and photographic calendars, also paper weighing not more than 11 pounds for 480 sheets 20 inches by 30 inches for use only in the manufacture of transfers, free of duty under the British preferential tariff and 15 per cent ad valorem under the general tariff. (By-laws under Item 404.)

Anodes, nickel, or consisting principally of nickel, for electro-plating, free of duty under the British preferential tariff, 15 per cent ad valorem under the general tariff. (By-law under Item 415A2.)

Under-reamers for use with rock-boring machines, 7½ per cent ad valorem under British preferential tariff, 33½ per cent under general tariff, with duties increasing as Australian currency depreciation is lessened. (Item 170D.)

Blanketing, felt (so-called), being woven material in the piece or in tubular form, for use only in textile calendering machines, free of duty under British preferential tariff, 15 per cent ad valorem under general tariff. (By-law under Item 415A2.)

Canadian goods under the items quoted above, when accompanied by the prescribed certificate of origin and consigned direct to Australia, are entitled to entry under the British preferential tariff. Goods from all countries outside the British Empire are under the general tariff.

## Netherlands

### IMPORT RESTRICTIONS ON FEEDING CAKES

Mr. J. A. Langley, Canadian Trade Commissioner at Rotterdam, advises that the restrictions on the importation into the Netherlands of feeding cakes, to which reference was made in *Commercial Intelligence Journal* No. 1701 (September 5, 1936), page 497, have again been extended. During the period from August 1, 1937, to July 31, 1938, inclusive, imports of:

- (a) Coconut cakes shall be limited to 30 per cent of the average gross weight imported from each exporting country per twelve months during the period from July 1, 1931, to June 30, 1933, inclusive;
- (b) all other types of feeding cakes shall not exceed 100 per cent of the gross weight imported from each exporting country during the period from August 1, 1935, to July 31, 1936, inclusive.

It is specified, however, that the Minister of Economic Affairs may grant special quotas to designated countries.

A certificate of origin is required for entry of the above-mentioned commodities.

## El Salvador

### NEW DOCUMENTATION REQUIREMENTS

Mr. S. G. MacDonald, Acting Trade Commissioner in Mexico City, reports under date July 26, 1937, that by official decree published July 2, 1937, and effective September 2, 1937, several changes have been made respecting Salvadorean documentation requirements, as follows:—

(1) For all shipments to El Salvador, for which a set of eight consular invoices are required, exporters must present to the Salvadorean consul two copies of the commercial invoice for legalization, which legalization is done without charge.

(2) Exporters are required to forward the two copies of the duly legalized commercial invoice to their agents or purchasers in El Salvador together with the consular invoices, certificates of origin, shipping documents, etc., for production at the Customs House at time of clearance of the goods covered by the invoices.

(3) Should the information shown on the commercial invoices not tally with that on the consular invoices, a fine equal to double the consular fees that should have been paid in addition to the difference unpaid at the time of legalization of both the documents will be levied against the importer before delivery of the goods.

For other information respecting documentation requirements of El Salvador, a leaflet is available to interested Canadian exporters upon application to the Department of Trade and Commerce, Ottawa.

## Manchukuo

### EXEMPTION OF IMPORT DUTIES

Mr. T. J. Monty, Assistant Trade Commissioner in Tokyo, writes under date July 19, 1937, that, in order to accelerate the execution of its five-year industrial development plan, and in view of the necessity of importing a large amount of building materials and machinery required to achieve this plan, the Manchukuo Government has issued an ordinance exempting such materials from import duty.

The articles exempted are materials and machinery necessary for the coal liquefaction industry, water-power generation, gold-mining, and light-metal manufacture. These exemptions, stated to be only temporary, have been effective since June 15, the date of the ordinance.

Importers have to submit, together with the ordinary import declaration, description of articles and details with regard to packing, origin and manufacture, and use of article, together with evidence that it will serve as "basic material" for one of the four industries mentioned above.

For further particulars application should be made to the Department of Trade and Commerce, Ottawa.



**FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING AUG. 9, 1937**

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, August 9, and for the week ending Monday, August 2, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Aug. 2	Nominal Quotations in Montreal Week ending Aug. 9	Official Bank Rate
Austria . . . . .	Schilling	.1407	\$ .1884	\$ .1885	3½
Belgium . . . . .	Belga	.1001	.1684	.1684	2
Bulgaria . . . . .	Lev	.0072	.0128	.0128	6
Czechoslovakia . . . . .	Krone	.0296	.0349	.0349	3
Denmark . . . . .	Krone	.2680	.2224	.2226	4
Finland . . . . .	Markka	.0252	.0220	.0220	4
France . . . . .	Franc	.0392	.0375	.0375	4
Germany . . . . .	Reichsmark	.2382	.4024	.4023	4
Great Britain . . . . .	Pound	4.8666	4.9809	4.9870	2
Greece . . . . .	Drachma	.0130	.0091	.0091	6
Holland . . . . .	Guilder	.4020	.5511	.5515	2
Hungary . . . . .	Pengo	.1749	.2956	.2955	4
Italy . . . . .	Lira	.0526	.0526	.0526	4½
Jugo-Slavia . . . . .	Dinar	.0176	.0231	.0231	5
Norway . . . . .	Krone	.2680	.2502	.2506	4
Poland . . . . .	Zloty	.1122	.1893	.1891	5
Portugal . . . . .	Escudo	.0442	.0451	.0451	4½
Roumania . . . . .	Leu	.0060	.0073	.0073	4½
Spain . . . . .	Peseta	.1930	.....	.0533	5
Sweden . . . . .	Krona	.2680	.2568	.2571	2½
Switzerland . . . . .	Franc	.1930	.2297	.2297	1½
United States . . . . .	Dollar	1.0000	1.0003	1.0000	1½
Mexico . . . . .	Peso	.4985	.2276	.2775	4-5
Cuba . . . . .	Peso	1.0000	.9995	.9992	—
Guadeloupe . . . . .	Franc	.0392	.0375	.0375	—
Jamaica . . . . .	Pound	4.8666	4.9909	4.9970	—
Martinique . . . . .	Franc	.0392	.0375	.0375	—
Other British West Indies	Dollar	1.0138	1.0377	1.0390	—
Argentina . . . . .	Peso (Paper)	.4245	.3319	.3323	3½
		Unofficial	.3011	.3105	—
Brazil . . . . .	Milreis (Paper)	.1196	.0670	.0667	—
British Guiana . . . . .	Dollar	1.0138	1.0377	1.0390	—
Chile . . . . .	Peso	.1217	.0517	.0517	4½-6
		Unofficial	.0417	.0417	—
Colombia . . . . .	Peso	.9733	.5701	.5699	4
Peru . . . . .	Sol	.2800	.2601	.2600	6
Venezuela . . . . .	Bolivar	.1930	.3138	.3137	—
Uruguay . . . . .	Peso	1.0342	.7930	.7928	—
South Africa . . . . .	Pound	4.8666	4.9747	4.9808	3½
Egypt . . . . .	Pound (100 Piastres)	4.9431	5.0116	5.1100	—
China (Shanghai) . . . . .	Dollar	.....	.2946	.2945	—
Hongkong . . . . .	Dollar	.....	.3066	.3078	—
India . . . . .	Ruppee	.3650	.3759	.3765	3
Japan . . . . .	Yen	.4985	.2898	.2905	2.92
Java . . . . .	Guilder	.4020	.5521	.5516	—
Siam . . . . .	Baht (Tical)	.4424	.4565	.4572	—
Straits Settlements . . . . .	Dollar	.5678	.5841	.5850	—
Australia . . . . .	Pound	4.8666	3.9846	3.9896	3
New Zealand . . . . .	Pound	4.8666	4.0169	4.0218	2
		Unofficial:	.1978	.1977	—

The Dominion Bureau of Statistics has supplied the following note:—

Movements in foreign exchanges were mostly narrow during the week ended August 10. Spot francs remained comparatively firm, while discounts on 90-day rates fluctuated between 7½ and 9½ points. A drop in the Bank of France discount rate from 5 per cent to 4 per cent, the same level as before devaluation, appeared to have had only a minor effect on the market. Late in the week it was said that the value of the franc had been fixed at 38.7 milligrams of gold as compared with the former figure of 44.1 milligrams. The British pound, the yen, and the Dutch guilder moved generally upward. Following reports of the floating of a \$100,000,000 Chinese loan in London, the Shanghai dollar advanced at New York. Shipments of gold to the United States were shown as the greatest in several weeks as London price fell below the New York shipping parity. The French franc at Montreal opened at 3.75 cents, rose to 3.76 cents on the 7th, and then dropped back to 3.75 on the 9th. The pound sterling was quoted at between \$4.981 and \$4.991 throughout the week. The United States dollar showed a premium of 0.02 of 1 per cent on the 4th and 5th, but for the remainder of the week rested at par.

## TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

### Secretary, Board of Trade—

Saint John, N.B.  
Halifax, N.S.  
Quebec, P.Q.  
Montreal, P.Q.  
Toronto, Ont.

Chatham, Ont.  
Kitchener, Ont.  
Stratford, Ont.  
Woodstock, Ont.  
St. Mary's, Ont.

Portage la Prairie, Man.  
St. Boniface, Man.  
Winnipeg, Man.  
Vancouver, B.C.  
New Westminster, B.C.

### Secretary, Chamber of Commerce—

Sherbrooke, P.Q.  
Kingston, Ont.  
Oshawa, Ont.

Belleville, Ont.  
Peterborough, Ont.  
London, Ont.

Hamilton, Ont.  
Victoria, B.C.  
Prince Rupert, B.C.

Border Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

### Secretary, Canadian Manufacturers Association—

Toronto, Ont.  
Montreal, P.Q.

Winnipeg, Man.  
Edmonton, Alta.

Vancouver, B.C.  
Victoria, B.C.

The Maritime Provinces Trade Commissioner, 122 Federal Building, Toronto, Ont.

The Bureau of Provincial Information, Victoria, B.C.

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Foodstuffs—</b>			
Canned Sardines.....	539	Ciudad Trujillo, Dominican Republic.	Agency.
Dried Codfish.....	540	Ancon, Canal Zone.....	Agency.
Lard.....	541	Ciudad Trujillo, Dominican Republic.	Agency.
<b>Miscellaneous—</b>			
Fish Meal (Herring and Pilchard).	542	Bristol, England.....	Purchase and/or Agency.
Meat and Bone Meal.....	543	Bristol, England.....	Purchase and Agency.
Alfalfa Meal.....	544	Bristol, England.....	Purchase and Agency.
Tallow for Soap Manufacture...	545	Ciudad Trujillo, Dominican Republic.	Agency.
Rubber Lines.....	546	Dublin, Irish Free State...	Purchase.
Rubber Boots.....	547	Cardiff, Wales.....	Agency.
Stationery.....	548	Melbourne, Australia.....	Agency.
Stationers' Supplies.....	549	Melbourne, Australia.....	Agency.
Ash Squares.....	550	Galway, Irish Free State..	Purchase.
Silver Spruce and Columbian Pine Scantlings.	551	Portarlington, Irish Free State.	Purchase.
Quebec Birch Planks (Unplaned)	552	Dublin, Irish Free State..	Purchase.
Beech Dowel Rods.....	553	Dublin, Irish Free State..	Purchase.
Mechanical Toys (Better-class)...	554	Auckland, New Zealand...	Agency.
Model Aeroplanes.....	555	Wellington, New Zealand.	Agency.
Watches.....	556	Melbourne, Australia.....	Agency.
Padlocks (for Australia).....	557	New York, U.S.A.....	Purchase and/or Agency.
Wire Nails (for South Africa)...	558	Birmingham, England.....	Purchase and/or Agency.
Nails.....	559	Dublin, Irish Free State..	Purchase.
Wire.....	560	Dublin, Irish Free State..	Purchase.
Electric Motors, h.p. $\frac{1}{4}$ and $\frac{1}{2}$ ...	561	Dublin, Irish Free State..	Purchase.
Garage Equipment.....	562	Dublin, Irish Free State..	Purchase.
Cobalt Salts.....	563	Sydney, Australia.....	Purchase or Agency.



## PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

### From Montreal

*To Liverpool.*—Montrose, Aug. 17; Duchess of Bedford, Aug. 22; Duchess of Atholl, Aug. 27; Duchess of York, Sept. 3—all Canadian Pacific; Antonia, Aug. 27; Andania, Sept. 10—both Cunard-White Star Line; a steamer, Fjell Line, Aug. 23.

*To London.*—Beaverdale, Aug. 20; Beaverbrae, Aug. 27; Beaverburn, Sept. 3; Beaverhill, Sept. 10; Beaverford, Sept. 17—all Canadian Pacific; Ausonia, Aug. 20; Ascania, Aug. 27; Aurania, Sept. 3; Alaunia, Sept. 10—all Cunard-White Star Line.

*To Manchester.*—Manchester Regiment, Aug. 19; Manchester Commerce, Aug. 26; Manchester Brigade, Sept. 9; Manchester Citizen, Sept. 16—all Manchester Line; a steamer, Fjell Line, Aug. 23.

*To Southampton.*—Duchess of Richmond, Aug. 25; Montrose, Sept. 10—both Canadian Pacific.

*To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—Boston City, Aug. 30; New York City, Sept. 18—both Bristol City and Dominion Lines; Norwegian, Aug. 21; Dorelian, Sept. 9—both Cunard-Donaldson and Dominion Lines.

*To Glasgow.*—Athenia, Aug. 20; Delilian, Aug. 27; Letitia, Sept. 3; Sulairia, Sept. 10—all Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Cairnross (calls at Dundee), Aug. 18; Cairnvalona, Aug. 25; Cairnesk, Sept. 1; Cairnglen, Sept. 8—all Cairn-Thomson Line.

*To Aberdeen and Hull.*—Kelso, Aug. 14; Gitano, Sept. 3—both Ellerman's Wilson Line.

*To Dublin and Belfast.*—Melmoe Head, Aug. 24; Torr Head (does not call at Belfast), Sept. 5—both Head Line (cargo accepted for Cork).

*To Antwerp.*—Beaverdale, Aug. 20; Beaverburn, Sept. 3; Beaverhill, Sept. 10—all Canadian Pacific; August (calls at Havre), Aug. 21; Brant County, Sept. 2—both County Line.

*To Rotterdam.*—Grey County, Aug. 23; Brant County, Sept. 2—both County Line.

*To Hamburg and Bremen.*—Frankfurt, North German Lloyd Line, Aug. 20; Bochum, Hamburg-American Line, Sept. 17; Beaverbrae (does not call at Bremen), Canadian Pacific, Aug. 27.

*To Copenhagen, Gothenburg and Baltic Ports.*—Ragnhildsholm, Swedish-America-Mexico Line, Aug. 25.

*To Norwegian Ports.*—A steamer, Fjell Line, Aug. 23.

*To Marseilles, Genoa, Naples, Messina, Palermo, Lisbon and Leghorn.*—Capo Olmo, Aug. 31; Capo Noli, Sept. 18—both Capo Line.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Magnhild, Aug. 24; Eikhaug (calls at Bay Roberts, Carbonear and Port Union but not at St. Pierre), Sept. 4—both Shaw SS. Co.; Belle Isle, Newfoundland-Canada SS. Co., Aug. 27.

*To Corner Brook, Nfld.*—New Northland, Aug. 16 and 30; North Voyageur, Aug. 22 and Sept. 5—both Clarke SS. Co.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Colborne, Aug. 19; Chomedy, Sept. 2—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Hamilton (Bermuda), Nassau (Bahamas), Kingston (Jamaica) and Belize (British Honduras).*—Lady Somers, Aug. 18; Cathcart (does not call at Hamilton or Nassau), Aug. 27; Lady Rodney, Sept. 1; Cavalier (does not call at Hamilton or Nassau), Sept. 10—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer, Ocean Dominion SS. Corp., Aug. 27 and Sept. 15.

*To Brisbane, Sydney and Melbourne.*—City of Canberra (calls at Adelaide if sufficient inducement offers), Montreal-Australia-New Zealand Line, Aug. 28.

*To Auckland, Wellington, Lyttelton and Dunedin.*—Port Nicholson Montreal-Australia-New Zealand Line, Aug. 22.

*To Sierra Leone, Walvis Bay, Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques and Beira.*—Mattawin, Aug. 25; Eboe (does not call at Sierra Leone, Walvis Bay, Lourenco Marques or Beira), Sept. 10—both Elder Dempster Lines Ltd.

*To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Singapore, Madras, Rangoon and Calcutta.*—City of Sydney, Aug. 15; City of Auckland, Aug. 30; City of Guilford, Sept. 15—all Canada-India Service.

*To Belawan Deli, Penang, Port Swettenham, Singapore, Batavia, Cheribon, Samarang, Soerabaya and Macassar.*—Tabian, Java-New York-Blue Funnel Line, Sept. 10.

*To Manila, Hongkong, Shanghai and Dairen.*—City of Christchurch, Ellerman & Bucknell SS. Co., Sept. 2.

*To Rio de Janeiro, Santos and Buenos Aires.*—Tureby (does not call at Rio de Janeiro), International Freighting Corp., Aug. 28; a steamer, Guardiaz Line, Aug. 27.

### From Quebec

*To Southampton.*—Empress of Britain, Aug. 28; Empress of Australia, Sept. 1—both Canadian Pacific.

### From Saint John

*To London, Hull, Aberdeen and Newcastle.*—Cavallo, Ellerman's Wilson Line, Sept. 9.  
*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Nelson, Aug. 18; Lady Hawkins, Sept. 1—both Canadian National.

*To Kingston and Jamaican Outports.*—Harboe Jensen, Aug. 20; Crawford Ellis, Aug. 27—both United Fruit Company (cargo accepted for transhipment to Central and South American ports).

### From Halifax

*To Liverpool.*—Nova Scotia, Aug. 17; Newfoundland, Sept. 4—both Furness Line; Manchester Exporter, Manchester Line, Sept. 11.

*To London, Hamburg, Bremen, Hull, Leith and Dundee.*—Artigas, Aug. 27; Capulin, Sept. 11—both American Hampton Roads.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Kongshaug, Newfoundland-Canada SS. Ltd., Aug. 23 and Sept. 6; Fort Townshend, Aug. 16 and 30; Fort Amherst, Aug. 23 and Sept. 6—both Furness-Red Cross Line; Portia (does not call at St. Pierre), Newfoundland Ry. and SS. Co., Aug. 25; Nova Scotia, Aug. 17; Newfoundland, Sept. 4—both Furness Line.

*To Kingston (Jamaica) and Belize (British Honduras).*—Cavelier, Aug. 16; Cathcart, Aug. 30—both Canadian National.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Nelson, Aug. 26; Lady Hawkins, Sept. 9—both Canadian National.

*To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer, Ocean Dominion SS. Corp., Aug. 18 and Sept. 1.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Colborne, Aug. 23; Chomedy, Sept. 6—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Bermuda, West Indies, and Demerara.*—A steamer, Pickford & Black Ltd., Aug. 18.

*To Santiago (Cuba) and Kingston (Jamaica).*—Ciss, Aug. 25; Kirsten B, Sept. 8—both Pickford & Black Ltd.

*To Yokohama, Kobe, Shanghai, Hongkong, Manila, Cebu and Java.*—Javanese Prince, Furness Prince Line, Aug. 16; Silvercedar, Silver Line, Sept. 5.

### From Vancouver

*To Yokohama, Kobe and Osaka.*—Hiye Maru, Aug. 28; Heian Maru, Sept. 11—both Nippon Yusen Kaisha.

*To Yokohama, Kobe, Shanghai, Hongkong and Manila.*—Empress of Russia (calls Nagasaki), Aug. 19; Empress of Japan (calls Honolulu), Sept. 4; Empress of Asia (calls Nagasaki), Sept. 18—all Canadian Pacific; Talthybius, Aug. 21; Tyndareus, Sept. 18—both Blue Funnel Line (call at Miike but not at Manila).

*To Manila, Iloilo, Cebu, Sourabaya, Samarang, Batavia, Singapore, Port Swettenham, Belawan Deli, Colombo, Bombay and Persian Gulf Ports.*—Djambi, Sept. 8; Tosari, Oct. 1—both Silver-Java Pacific Line.

*To Honolulu, Suva, Auckland and Sydney.*—Aorangi, Aug. 31; Niagara, Sept. 29—both Canadian-Australasian Line.

*To Papeete, Auckland, Wellington, Lyttleton, Dunedin, Melbourne and Sydney.*—Limerick (calls at New Plymouth), Aug. 24; Waiotapu (does not call at Wellington or Melbourne), Sept. 27—both Canadian-Australasian Line.

*To Wellington, Port Huon, Beauty Point, Melbourne and Sydney.*—Anglo Canadian, Canadian-Australasian Line, Sept. 20.

*To London, Liverpool and Rotterdam.*—Delftdyk (calls at Glasgow), Aug. 21; Lochgoil, Sept. 4; Lochmonar (calls at Glasgow), Sept. 18—all North Pacific Coast Line.

*To Antwerp, Hamburg and Bremen.*—Schwabens, Aug. 17; Elbe, Sept. 1; Weser, Oct. 6—all North German Lloyd Line; Vancouver, Aug. 25; Oakland, Sept. 19—both Hamburg-American Line.

*To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.*—San Antonia, Aug. 24; Wisconsin, Sept. 13—both Empire Shipping Co. Ltd.

*To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.*—Chisone, Empire Shipping Co., Aug. 16.

*To Port of Spain (Trinidad) and Bridgetown (Barbados).*—Chr. Knudsen, Canadian Transport Co., Aug. 24.

*To Kingston (Jamaica), Trinidad and Demerara.*—A steamer, Canadian Transport Co., September.

*To Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques, Beira, Colombo, Calcutta and Madras.*—Manoeran, Sept. 4; Silverwillow, Oct. 5—both Silver-Java Pacific Line.

*To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.*—Evanger, Aug. 25; Brandanger, Sept. 30—both Empire Shipping Co.



# COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

## CANADIAN GOVERNMENT TRADE COMMISSIONERS

### Argentina

J. A. STRONG, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

### Australia

*Sydney*: L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh Streets. (Territory covers Federal District of Canberra, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

*Commercial Agent*: B. MILLIN, The Royal Exchange, Sydney, N.S.W.

*Melbourne*: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building, Melbourne. (Territory covers States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

### Belgium

YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

### Brazil

L. S. GLASS. Address for letters—Caixa Postal 2164, Rio de Janeiro. Office—Ed. Da. "A. Noite," Sala 802, Praca Maua. *Cable address, Canadian.*

### British Malaya

B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory covers the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

### British West Indies

*Trinidad*: M. B. PALMER. Address for letters—P.O. Box 125, Port of Spain. Office—Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, and British Guiana.) *Cable address, Canadian.*

*Jamaica*: F. W. FRASER, P.O. Box 225, Office—Canadian Bank of Commerce Chambers, Kingston. (Territory covers Jamaica, Haiti, the Bahamas, and British Honduras.) *Cable address, Canadian.*

### China

*Shanghai*: H. A. SCOTT. Address for letters—P.O. Box 264. Office—Ewo Building, 27 The Bund, Shanghai. (Territory covers Central China and North China.) *Cable address, Canadian.*

### Cuba

C. S. BISSETT. Address for letters—Apartado 1945, Havana. Office—Royal Bank of Canada Building, Calle Aguiar 75, Havana. (Territory includes Dominican Republic and Puerto Rico.) *Cable address, Canadian.*

### Egypt

HENRI TURCOT. Address for letters—P.O. Box 1770, Cairo. Office—22 Shari Kasr el Nil, Cairo. (Territory includes the Sudan, Palestine, Cyprus, Iraq, Syria, Iran, Greece, Turkey, Bulgaria, and Roumania.) *Cable address, Canadian.*

### France

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No. 1751



Schooner unloading Canadian Lumber at Barbados,  
British West Indies

ISSUED BY AUTHORITY OF  
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE  
JAMES G. PARMELEE, DEPUTY MINISTER

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Vol. LVII

Ottawa, August 21, 1937

No. 1751

## TRADE OF SOUTH AFRICA IN 1936<sup>1</sup>

J. L. MUTTER, CANADIAN TRADE COMMISSIONER

## III

## Imports from Canada

(Figures within parentheses relate to 1935; tons are short tons of 2,000 pounds)

Exclusive of Government stores, the value of Canadian merchandise imported into the Union during the four years 1933 to 1936 was as shown in the following table:—

	Value	As a Percentage of Total Merchandise Imports from All Countries
1936 . . . . .	£2,882,089	3.6
1935 . . . . .	2,436,737	3.4
1934 . . . . .	2,492,006	3.9
1933 . . . . .	1,205,313	2.5

The 1936 figure is a new record, and exceeds the previous record total established in 1929 by over £150,000. This gain may be attributed entirely to the extremely prosperous conditions which prevailed throughout the Union during the calendar year 1936.

Government stores valued at £236,052 were imported from Canada during the period under review, as compared with £205,317 and £73,095 in 1935 and 1934 respectively. As was the case in 1935, Government purchases from Canada were confined mainly to heavy steel rails, of which £187,363 worth were imported as against £190,683 worth in 1935.

A careful examination of the Annual Statement of the Trade and Shipping of the Union for 1936 shows that Canada supplied goods to the value of £1,000 or over under 111 separate commodity headings, while under 43 commodity headings Canada appeared as a supplier of merchandise to the value of £5,000 or over. These 43 headings are listed in the following table, and in addition to imports from Canada, imports from all sources are shown, for the two years 1936 and 1935. In the fifth column are shown the amounts by which imports from Canada, of the commodity in question, advanced or fell short of those during 1935. Of the 43 items listed, 31 returned better figures during 1936 than in the previous year. In passing, it may be noted that ten commodities, 1936 imports of which totalled £2,252,271, represented 78 per cent of Canadian imports into South Africa. The corresponding figures for 1935 were £1,949,175 and 80 per cent. In 1936 the total value of the 43 commodities listed was £2,684,500, or 93 per cent of all imports from Canada, as against £2,276,513 and 91·4 per cent in 1935.

<sup>1</sup> The first part of this report, dealing with the trade in general terms and especially with the exports, was published in No. 1748 (July 31); and the second, on the import trade, in No. 1749 (August 7).

*Principal Imports from Canada into the Union of South Africa*

	1936		1935		
	Total Imports, All Countries	Imports from Canada	Total Imports, All Countries	Imports from Canada	Inc. or Dec.
Motor vehicles, chassis, parts and accessories . . . . .	£ 8,191,422	£ 709,678	£ 6,945,279	£ 679,001	+ £30,587
Silk and artificial silk hosiery . . . . .	632,375	306,613	509,980	213,713	+ 92,900
Motor car and truck tyres and tubes . . . . .	436,728	264,351	406,594	236,417	+ 27,934
Pine and other softwoods excluding pitchpine . . . . .	1,116,127	193,325	884,051	87,208	+ 106,117
Agricultural implements . . . . .	1,201,057	189,846	1,186,465	221,439	— 31,593
Newsprint . . . . .	292,210	163,269	226,381	115,416	+ 47,853
Electric cooking and heating apparatus . . . . .	309,584	147,141	254,047	127,080	+ 20,061
Cyanide . . . . .	422,894	120,189	446,481	153,925	— 33,736
Canned salmon and sardines . . . . .	300,696	102,096	281,965	88,347	+ 13,749
Wrought iron and steel pipes . . . . .	514,137	55,763	552,900	26,539	+ 29,224
Women's outer garments . . . . .	2,050,692	34,687	1,693,461	10,841	+ 23,846
Porcelain insulators . . . . .	49,407	29,973	50,154	31,396	— 1,423
Machinery n.e.e. . . . .	1,124,230	25,844	889,347	8,057	+ 17,787
Pulpboards . . . . .	107,694	24,866	64,825	20,353	+ 4,513
Flooring and ceiling wood . . . . .	392,191	21,828	269,285	5,862	+ 15,966
Apples . . . . .	24,316	16,902	19,621	13,894	+ 3,008
Cardboard, linenboard and strawboard . . . . .	244,300	16,847	194,455	13,212	+ 3,635
Belting, other than leather . . . . .	129,906	23,628	162,787	23,883	— 255
Nails, wire and other . . . . .	105,029	15,222	86,914	10,275	+ 4,947
Pig lead . . . . .	34,261	15,213	32,865	9,609	+ 5,604
Stoves, ranges and parts (not electric) . . . . .	236,390	14,661	197,906	7,226	+ 7,435
Rolled oats . . . . .	14,604	14,174	12,152	10,605	+ 3,569
Wire netting . . . . .	151,997	12,685	121,898	13,906	+ 1,221
Textiles and fibre manufactures n.e.e. . . . .	389,423	12,041	327,313	9,613	+ 2,428
Rubber manufactures n.e.e. . . . .	168,704	11,726	116,286	6,401	+ 5,325
Shovels and forks . . . . .	43,708	11,366	43,600	12,181	— 815
Rubber boots and shoes . . . . .	21,305	10,760	19,019	9,956	+ 804
Mechanics' tools . . . . .	441,430	10,702	376,724	8,076	+ 2,626
Fencing wire, plain . . . . .	197,711	10,144	129,246	6,401	+ 3,743
Preserved vegetables other than peas and beans . . . . .	55,933	9,730	43,437	6,393	+ 3,337
Machinery (factory plant) . . . . .	797,107	9,715	465,672	6,473	+ 3,242
Binder twine and harvest yarn . . . . .	34,514	9,385	35,295	14,437	— 5,052
Rubber-soled canvas shoes . . . . .	53,155	8,157	48,847	8,546	— 389
Fencing wire, barbed . . . . .	199,295	7,694	129,765	4,142	+ 3,552
Belting (conveyor) . . . . .	49,514	7,659	71,186	9,295	+ 1,636
Ready-mixed paints (other) . . . . .	229,119	6,863	199,327	13,685	— 6,882
Toys and indoor games . . . . .	222,135	6,652	186,248	4,182	+ 2,470
Industrial machinery n.e.e. . . . .	1,122,463	5,881	880,165	3,410	+ 2,471
Printing paper other than newsprint . . . . .	438,413	5,764	362,043	4,483	+ 1,281
Wireless, telegraph and telephony instruments and appliances, including radio apparatus . . . . .	646,468	5,552	531,627	2,170	+ 3,382
Other mining machinery, n.e.e. . . . .	1,429,480	5,436	1,786,335	5,271	+ 165
Women's rayon vests, knickers, slips and combinations . . . . .	148,172	5,303	124,911	5,811	— 508
Vegetables, canned, green beans and peas . . . . .	29,913	5,169	38,054	7,293	— 2,124
Total . . . . .	£24,800,209	£2,684,500	£21,404,913	£2,276,513	

Canada's share of imports in above commodities: in 1936, 10·8 per cent; in 1935, 10·6 per cent.

Proportion of Canada's total exports to South Africa represented by above commodities: in 1936, 93 per cent; in 1935, 91·4 per cent.

## NOTES ON THE COMMODITIES

## MOTOR VEHICLES, CHASSIS, PARTS AND ACCESSORIES

During the year under review 28,752 motor cars were imported into the Union from all sources as compared with 21,525 in 1935. Motor car chassis imported numbered 19,536 (20,047); motor trucks, vans, etc., 1,895 (954); and motor truck and van chassis, 7,709 (6,783).



The United States maintained its position as the principal source of supply of all these items, but Canada shared in the general increase in imports, being credited with 7,165 (6,761) motor car chassis, 239 (120) motor trucks and vans, and 1,335 (1,549) motor truck chassis. Under the heading "motor car parts and accessories" Canada was responsible for £112,533, a marked increase over the £81,720 recorded in 1935.

#### HOSIERY

In 1935 motor car and truck tires and tubes ranked second in importance to motor cars, trucks, chassis and parts in Canadian imports into the Union. During the year under review, however, imports from Canada under the hosiery heading advanced to £306,613 from £213,713 in 1935, with the result that they ousted tires and tubes from second place. Total imports of hosiery (not cotton or woollen)—in other words, imports of silk and artificial silk hosiery—were valued at £632,375 (£509,980), and of this Canada was credited with £306,613 (£213,713). Canada's gain under this heading was not made at the expense of any particular supplier, since imports from the United Kingdom (£90,628) and from the United States (£68,236) were fairly well maintained, while those from Japan advanced in value from £69,954 in 1935 to £120,080.

The United Kingdom continues to command the bulk of the business in cotton and woollen hosiery, total imports of these types from Canada being valued at only £3,168.

#### RUBBER TIRES AND TUBES

Three well-known brands of rubber tires and tubes are now being made within the Union, and in consequence several oversea manufacturers have practically withdrawn from the market. In spite of this development, however, the value of total imports under this heading advanced to £436,728 from £406,594 in 1935, in sympathy, undoubtedly, with the increased importation of motor vehicles. Canada was the principal supplier, followed by the United Kingdom and the United States, her share of the trade in motor car and truck tires and tubes being valued at £264,351, or £27,934 more than in the previous year.

It is almost certain, however, that the import trade in these items will decline in future, and in this connection it is significant to note that imports of unmanufactured rubber into the Union, largely for the use of the local tire and tube industry, were valued at £247,133 as compared with £64,700 in 1935.

#### PINE AND OTHER SOFT WOODS

Unabated activity in the building trade throughout the Union was responsible for the marked increase which took place in the value of imports under this heading—£1,116,127 as against £884,051 in 1935. In that year, with a share of the trade valued at £87,208, Canada ranked fifth as a supplier, the bulk of the business going to Finland, Russia, the United States, and Sweden respectively. During 1936, however, imports from Canada were more than doubled, being valued at £193,325, the Dominion moving into fourth place as a supplier. Imports from Canada during the current year should at least equal those for 1936, since building activity is greater, if anything, than was the case last year.

#### AGRICULTURAL IMPLEMENTS

Imports from all sources under this heading were valued at £1,201,057 (£1,186,465). Canada's share, however, fell by £31,593 to £189,846, a drop in imports of binders, reapers, mowers, and threshing machines being largely responsible for the short fall. Binders, reapers, and mowers totalling 4,026 in number (£119,413) were imported during 1936, of which Canada supplied 953 (£25,967) as compared with 1,758 (£43,233) in 1935, when total imports num-

bered 4,374 (£142,476). Canada retained her place as the most important supplier of threshing machines, 69 (£18,177) out of a total of 163 (£45,374), but these figures suffer by comparison with those for 1935, when 204 machines were imported, of which Canada supplied 114 (£28,932).

Ploughs, harrows and parts imported in 1936 totalled 76,523 in number (£445,673), Canada being credited with 14,326 (£110,974). Corresponding figures for 1935 were 67,756 (£384,559), of which Canada supplied 15,621 (£106,009). The United States was the principal supplier of these implements, being credited with £134,854, while Germany's share was valued at £107,938.

Canada does not appear as a supplier of farm tractors, of which 922 (£219,679) were imported. The United States supplied 768 of these (£183,526), the remainder coming from Germany and the United Kingdom.

Sweden maintained her position as the principal supplier of cream separators, with 9,015 (£33,900) out of a total of 11,475 (£46,574). Canada's share of this business was valued at £1,192 (£1,438).

The United Kingdom was the largest supplier of picks and hoes, shipping 351,039 of the 377,131 imported. The Canadian share was negligible, being valued at less than £150. Spades numbering 126,902 (124,031) were imported during the year, of which the United Kingdom supplied 113,526 (104,857) valued at £12,275 (£11,024).

#### NEWSPRINT

Total imports of newsprint in reels and flat were 698,772 centals (100 pounds) valued at £292,210. Of this Canada supplied 394,205 centals in reels valued at £158,421 and 10,863 centals flat valued at £4,848, making her total share of imports under this heading £163,269 as compared with £115,416 in 1935. Canada's position as principal supplier, regained in 1935, was well maintained. Sweden's share in the trade fell to £8,995 from £30,490 in the preceding year, while the United Kingdom's share increased from £59,810 to £106,269.

#### ELECTRICAL COOKING AND HEATING APPARATUS

For the fifth year in succession imports from Canada under this heading have shown a substantial increase, the value of electrical heating and cooking apparatus imported from the Dominion during 1936 being £147,141 as compared with £127,080 in 1935. The total importations from all sources during the year under review were valued at £309,584, so that it will be seen that Canada was easily the most important supplier. Next in order of importance were the United Kingdom, the United States, and Germany, with £92,787, £42,240, and £18,318 respectively.

Undoubtedly the increased sale of items included under this heading reflects to a very great extent the activity in the building trade throughout the Union, particularly so far as blocks of flats and apartment buildings are concerned. In the Witwatersrand area, for instance, it is common to find blocks of flats, several stories in height, fitted throughout with electrical cooking and heating apparatus, and such buildings have been going up at an unprecedented rate during the past two years.

In addition to electric ranges and rangettes, this heading includes importations of such smaller appliances as heaters, toasters, and the like, in which Canada, particularly, had a very good year.

#### CYANIDE

Total imports under this heading were greater in quantity but less in value than in 1935. Imports during 1936 amounted to 23,315,270 pounds (£442,894) as compared with 22,508,571 pounds (£446,481) in 1935. Canada is still the



most important supplier from the standpoint of quantity, being credited with 11,178,600 pounds valued at £120,189, but while imports from the United Kingdom, second in order of importance as a supplier, totalled only 7,242,562 pounds, they were valued at £192,337. The only other supplier of importance was Czechoslovakia, which was credited with imports valued at over £94,000. Imports from Canada of cyanide, as such, are likely to decline in future years because of the fact that the chemical is now being produced locally, and it seems reasonable to assume that as the local industry develops, the market enjoyed by all present suppliers will be affected to a considerable extent.

#### PRESERVED FISH

The figures quoted in the South African trade returns under this heading provide for importations of all types of tinned fish and fish products, with the exception of caviare, lax, lobster, anchovies, and fish pastes. It may be safely assumed, however, that importations from Canada under this heading are confined almost exclusively to salmon and sardines. Importations of preserved fish from all sources in 1936 amounted to 10,504,007 pounds valued at £300,696 as compared with 10,098,659 pounds valued at £281,965 in the preceding year. For several years past Canada has been the principal source of supply for commodities under this statistical heading, her share in 1936 amounting to 4,693,260 pounds (4,382,611 pounds) valued at £102,096 (£88,347). Imports from Norway, which consisted mainly of tinned sardines, returned a slight decrease as compared with 1935, the figures for the two years being £75,567 and £77,874 respectively. Imports from the United Kingdom increased both as to quantity and value, the mother country being credited with imports during 1936 valued at £34,562.

#### WROUGHT IRON AND STEEL PIPES

As was anticipated, due to the development of local production, total imports from all sources under this heading fell short of imports for 1935. Notwithstanding this development, however, and in spite of the dumping duties imposed upon pipe originating in the principal supplying countries, including Canada, the Canadian share of this trade for 1936 was valued at £55,763, or more than double the figure for 1935, viz., £26,539. The United Kingdom's share of this business fell by some £84,000 to £306,050. Imports from Czechoslovakia, France, and Poland declined appreciably, but other suppliers, notably Belgium, Germany, and the United States returned substantial increases under this heading. Imports from Germany were valued at £77,902 (£45,348), from the United States at £32,643 (£29,273), and from Belgium at £15,542 (£8,475).

#### WOMEN'S OUTER GARMENTS

Canada's share of the trade in these articles has increased steadily and rapidly during the past four years. In 1933, when imports from all sources were valued at £1,245,660, the Canadian share was £2,560. In the following year imports from Canada were valued at £5,353. In 1935 this had increased to £10,841, and during the year under review, when total imports were valued at £2,050,692, Canada was credited with £34,687. A wide range of outer garments is included under this general heading, but in the case of Canada it is safe to say that shipments consist almost exclusively of women's and misses' afternoon and evening frocks. Many Canadian manufacturers are now enjoying steady business in these lines, and returns for the current year should show a further increase in the trade in them.

Of total imports of women's outer garments during 1936, the United Kingdom was responsible for more than half, valued at £1,224,199. Other prominent

suppliers, with the values for which each was responsible, were: United States, £318,798 (£249,584); Germany, £158,885 (£122,867); Japan, £126,762 (£79,399); Austria, £56,859 (£50,075); and Belgium, £27,405 (£14,238).

#### PULPBOARDS

As in the case of lumber, intense building activity throughout the Union was responsible for a marked increase in the value of wallboard imported during the year. The value of imports from all sources amounted to £107,694 as compared with £64,825 in 1935, Canada's share being 3,445,562 square feet valued at £24,866 (£20,353). The United States was the chief source of supply, shipping nearly 10,000,000 square feet of the material valued at £59,603. Other suppliers of importance were Sweden and Finland, each shipping well over a million square feet valued at £7,462 and £6,946 respectively.

#### FLOORING AND CEILING WOOD

Imports from all sources of flooring and ceiling, planed, tongued, and grooved, advanced from 3,305,866 cubic feet (£269,285) in 1935 to 4,551,503 cubic feet (£392,191) during the year under review. Finland was again the principal supplier, with 2,334,627 cubic feet (£173,548). Sweden, the United States, and Norway were also prominent with shares in the trade amounting to £76,431, £54,069, and £26,518 respectively. Canada's share was 177,428 cubic feet valued at £21,828, which is nearly six times as much in quantity and four times as much in value as was shipped during 1935. Several new types of timber and specifications, formerly unknown to South African consumers, have been successfully introduced, and the Dominion's share of the trade in this material should increase steadily as time goes on.

#### APPLES

Over 65,000 boxes of fresh apples valued at £24,316 were imported during 1936 as compared with 51,468 boxes valued at £19,621 in the preceding year. Shipments are received during the last four months of each year, after which South African-grown fruits dominate the trade. Canada was again the principal shipper, being credited with 46,828 (35,542) boxes valued at £16,902 (£13,894). The United States supplied 8,892 boxes (£4,004), followed by the United Kingdom, 6,496 boxes (£2,182), and Australia, 3,269 boxes (£1,226).

#### STOVES, RANGES AND PARTS

A noteworthy development during recent years has been the increased demand for coal and gas stoves, brought about by the comparatively low cost of coal, and, so far as gas ranges are concerned, by reductions in the cost of gas in the more important urban centres. Imports of stoves and ranges (not electric) and parts from all sources in 1933 were valued at £104,400, but in 1936 stood at £236,390. Canada's share of this business has advanced by leaps and bounds, as the figures for the last four years will indicate: 1933, £212; 1934, £1,276; 1935, £7,226; and 1936, £14,661. The principal competing countries are the United Kingdom, Sweden, the United States, and Germany. Imports from the United Kingdom during 1936 were valued at £150,457, and those from Sweden and the United States at £36,361 and £20,375 respectively.

#### RUBBER FOOTWEAR

Over 96,000 pairs of boots and shoes, made wholly of rubber, valued at £21,305, were imported into South Africa during 1936 as compared with 81,836 pairs valued at £19,019 in 1935. Canada has for some years been the principal



supplier of this type of footwear, the bulk of which is destined for use in connection with the Union's gold-mining industry. Her share of this trade in 1936 amounted to 36,038 pairs valued at £10,760, the only other suppliers of importance being the United Kingdom, 21,506 pairs (£5,507); Japan, 17,344 pairs (£2,231); and the United States, 15,830 pairs (£1,939).

Imports from all sources of rubber-soled canvas footwear totalled 1,345,173 pairs valued at £53,155 as against 1,182,831 pairs valued at £48,847 in 1935. Canada, with 55,381 pairs (£8,157), shipped some 3,000 pairs less than in the preceding year, but nearly 50,000 pairs less than in 1933. Japan was the most important source of supply, shipping 901,092 pairs (£19,326), followed by Czechoslovakia with 307,541 pairs (£16,294).

#### TINNED VEGETABLES

It was anticipated at the beginning of 1936 that imports of canned peas and beans would be considerably less than in 1935, due to the development of a domestic industry and the incidence of a protective duty, and this has proved to be the case. Total imports of these two items dropped to 2,105,884 pounds (£29,913) from 2,765,854 pounds (£38,054), and this trend is likely to continue. The United States was the principal source of supply, having shipped 936,387 (882,014 pounds), value £16,130 (£15,536). All the other suppliers lost ground, as the comparative figures for the two years indicate: Canada, 394,050 (595,586) pounds, value £5,169 (£7,293); United Kingdom, 278,088 (435,582) pounds, value £3,538 (£5,304); and Belgium, 379,623 (645,539) pounds, value £3,722 (£6,961).

Imports of tinned vegetables, other than peas and beans, showed an increase amounting to 2,450,019 pounds (£55,933) as compared with 1,852,551 pounds (£43,437) in 1935. Again the United States was the principal supplier with 1,407,386 pounds, followed by Canada with 720,393 pounds (principally sweet corn) and Italy, 133,125 pounds.

#### UNDERCLOTHING

Woven cotton underclothing to the value of £51,909 (£43,881) was imported into the Union during 1936. The United Kingdom was the principal supplier, being credited with £33,305 (£31,747), followed by the United States, £6,646 (£4,733); Japan, £4,200 (£972); Switzerland, £3,296 (£2,844); and Canada, £1,678 (£1,553).

Imports of men's knitted cotton underclothing were valued at £113,766 (£88,075), of which £97,768 (£80,980) originated in the United Kingdom. The remainder of the trade was shared by Poland, £7,377 (£1,413); Japan, £4,515 (£3,031); and Canada, £2,352 (£1,400). Of the £97,780 (£71,238) worth of women's knitted cotton underwear imported during 1936 the United Kingdom was responsible for £94,674 (£68,902), imports from other sources, including Canada, being negligible. In the commodity class women's underclothing, rayon, the Dominion is credited with £5,303 (£5,811) out of the total importation of £148,172 (£124,911). The United Kingdom dominated the trade with £89,476 (£82,009); other prominent suppliers were: Czechoslovakia, £22,162 (£13,853); Germany, £14,605 (£7,804); and the United States, £13,578 (£13,672).

#### SHINGLES

A noteworthy feature of Canada's trade with South Africa in timber products during 1936 was the manner in which Canadian red cedar shingles dominated the market. Imports of shingles from all sources were valued at £2,416 (£1,276), and of this total Canada was responsible for £2,016 (£1,075). This type of roofing has become particularly popular in the Western Province

of the Cape, where, as a result of active propaganda, it is now found on many of the better-class homes. Sales in other centres have not been so brisk, but considerable improvement is anticipated, and it is almost certain that figures for the current year will reflect a substantial increase in the use of shingles throughout the Union generally.

#### JAMS AND JELLIES, JELLY, CUSTARD, AND PUDDING POWDERS

A rapid development has taken place during the last two years in the sale of Canadian jams, jellies, and jelly powders in this market. In 1933 none of these items were imported from Canada. In 1934, however, these Canadian products made their first appearance, and in 1935, 62,818 pounds of jams and jellies (£1,529) and 21,298 pounds of jelly and pudding powders (£944) were imported from the Dominion. During 1936, when 572,588 pounds of jams and jellies and 659,461 pounds of jelly and pudding powders were imported from all sources, Canada supplied 146,583 pounds of the former and 35,516 pounds of the latter.

#### PREFERENTIAL TARIFF REBATES

The end of 1936 marked the conclusion of the fourth year during which preferential rebates in duty were granted by South Africa, under the terms of the Ottawa Agreements, to certain products originating in other parts of the British Commonwealth on their importation into the Union. Rebates granted to United Kingdom products imported during 1936 totalled £1,478,841 (£1,375,026). Imports from Canada received preferential rebates amounting in value to £115,123 (£91,952). The increase in the value of the rebates on Canadian products is due largely to the increases in shipments of unmanufactured timber, rebates in respect of which were worth £17,626 as against £9,044 in 1935; tinned fish, £29,370 (£27,269); hosiery, £15,443 (£10,772); and rubber tires and tubes, £25,788 (£21,556). Preferential rebates granted to products of New Zealand origin were valued at £114 (£320), and to imports from the Irish Free State at £196 (£145). Of the £1,478,841 rebated in respect of importations from the United Kingdom, over half, or £740,095, represents rebates upon cotton piece-goods imported and some £300,000 rebates upon machinery.

#### FUTURE PROSPECTS

Given a continuance of the present price of gold, with its beneficent effect upon the gold-mining industry, on which the prosperity of South Africa is very largely based, there is every reason to believe that the level of Canadian exports to the Union during the present and the next few years will be well maintained. An examination of Canadian-South African trade statistics covering the last five years will show that each year the same ten commodities have represented roughly 75 per cent of the value of Canadian exports to South Africa. It is true that secondary industries in the Union are developing rapidly, and that in a few years they may be able to cope with the domestic demand, even for some of the products which, at present at any rate, are of major importance from the standpoint of the Canadian exporter. When this takes place, the nature, if not the volume, of Canadian exports will experience a change in that the South African demand will be for raw or semi-processed materials for the use of South African factories, rather than for the finished article.

It is evident from the trade returns to date, however, that the purchasing power of the Union has increased more rapidly during the last two or three years than the productive capacity of its secondary industries, so that in 1936 imports of manufactured goods from all sources were greater than ever before, and there is reason to believe that new records will be established during 1937. To these



new records Canadian exports may be expected to contribute. Preliminary statistics show that imports into the Union during the first six months of this year were valued at £49,115,515, an increase of £8,213,000 as compared with the corresponding period of 1936. Exports for the first six months of 1937 bring the volume of total trade for the period up to £107,900,555, and if the present flow is maintained for the balance of the year, the £200,000,000 mark may be exceeded for the first time.

## AUSTRALIAN WHEAT AND FLOUR

FREDERICK PALMER, CANADIAN TRADE COMMISSIONER

Melbourne, July 21, 1937.—Wheat and flour exports from Australia for the period from December 1 to the week ending July 12 totalled 74,639,192 bushels as compared with 69,660,873 bushels for the corresponding period of the previous season, and 70,424,041 bushels for 1934-35.

Although the severe drought prevailing in Canadian wheat areas, together with some complaints of rust in the United States, have caused the Australian market to appreciate considerably, Australian cargoes for European buyers are infrequent; the wheat-importing countries in Europe and Eastern Asia are limiting purchases to immediate requirements. The volume of their business in Australian wheat to the United Kingdom is comparatively small, but it is expected that British millers will soon re-enter the market. Japan, during the last few days, has bought 6,000 tons of Victorian wheat which, it is understood, is for export flour to Dairen.

With the strengthening of the market the price of wheat to growers in Australia has increased to 5s. (Australian currency) a bushel at country sidings in all States, equivalent to 99 cents Canadian, and the price f.o.b. steamer is approximately 5s. 8½d. (Australian currency) a bushel, equivalent to \$1.13 Canadian, but farmers are not selling at all freely, and it is going to be very difficult to buy into the balance of the exportable surplus of wheat, which amounts to approximately 150,000 tons, i.e. wheat uncommitted for shipment.

### AREA SOWN IN WHEAT

The preliminary official estimate of the Commonwealth Statistician for the new crop acreage this year places the area sown to wheat at 13,700,000 acres, representing an increase of 11 per cent over the 12,300,000 acres sown for the 1936-37 harvest. Seeding, however, is still in progress in some districts, and when completed the increase over last year's acreage is expected to reach 12½ per cent. Crops in South Australia and Western Australia are progressing favourably, but in parts of New South Wales and Victoria good rains are required to ensure the normal development of the crop.

The following table gives details of the area in Australia sown in wheat for the last three seasons, comparative production, and average yield of wheat per acre in the same periods:—

	1934-35	1935-36	1936-37
Area sown under wheat for grain . . . . .Acres	12,544,000	11,957,000	12,284,000
(Average for 10 years ended 1937, 14,245,000 acres.)			
Production of wheat . . . . .Bushels	133,393,000	144,217,000	150,170,000
(Average for 10 years ended 1937, 172,802,000 bushels.)			
Average yield per acre . . . . .Bushels	10.63	12.06	12.22
(Average for 10 years ended 1937, 11.43 bushels.)			

### FLOUR

The export trade in flour continues very dull. Most of the mills are working short time and any business accepted shows practically no margin of profit.

Export quotations are now £A11 7s. 6d. per ton of 2,000 pounds in 150-pound sacks (equivalent to \$45.14 Canadian) and £A11 17s. 6d. per ton in 49-pound calico bags (equivalent to \$47.13 Canadian). The local price of flour is £A13 12s. 6d. per ton of 2,000 pounds (\$54.09).

### CHARTERING

Chartering is quiet and freights have eased somewhat, a recent fixture having been made at 41s. 6d. per ton on a bulk basis from South Australia or Victoria to United Kingdom and Continental ports. Very few steamers are available and old chartering commitments are now being rapidly overtaken and only about ten steamers remain to be loaded. Freights are payable in English currency on the basis of 2,240 pounds to the ton.

## MAGNESITE IN THE LONDON MARKET

H. L. BROWN, ASSISTANT TRADE COMMISSIONER

London, July 27, 1937.—Magnesite, though of widespread occurrence in most parts of the world, is not found commercially in the United Kingdom, which must consequently obtain supplies abroad. Importations in 1935 amounted to about 30,000 long tons valued at some \$900,000. Detailed statistics of imports in recent years are as follows, quantities in long tons and values in pounds sterling:—

### *Imports of Magnesite into the United Kingdom*

	1931		1934		1935	
	Tons	£	Tons	£	Tons	£
Total . . . . .	18,963	107,237	27,724	166,361	29,755	180,798
Austria . . . . .	3,260	21,169	9,662	79,875	11,018	92,577
Greece . . . . .	5,474	10,585	8,149	22,500	8,254	25,556
Holland . . . . .	4,874	37,366	2,563	16,808	2,793	18,093
India . . . . .	427	3,324	2,888	14,980	3,127	16,639
Canada . . . . .	1,299	10,389	1,669	13,125	1,363	10,782
Russia . . . . .	131	739	1,035	5,524	2,863	15,341
Italy . . . . .	1,271	9,814	818	8,285	93	367
Others . . . . .	2,227	13,851	940	5,264	244	1,443

From these data it will be seen that the principal countries of supply are Austria and Greece and, as the quantities credited to Holland almost entirely find their origin in Greece, it may be said that Austria and Greece supply about 70 per cent of the total quantity. India is the source of a further 10 per cent, and Russia, Canada, and other countries make up the remainder. The trade from both Austria and Greece is well organized, and from the latter is practically under the control of a group of producers who, with the Dutch, also have ample supplies of magnesium chloride. The sale of Indian magnesite is likewise under unified control.

### FORMS AND USES

Magnesite, though imported in lump form, is preferred ground and screened. It is usually calcined or dead-burned; the latter form is heated at a high temperature until the moisture content or loss on ignition is but a fraction of 1 per cent, while the former is kilned to only about half that degree and has a moisture content of some 4 to 6 per cent. Magnesite calcined at a suitable temperature is fragile and can easily be rubbed between the fingers.

Processing, particularly milling, is carried out locally but also to a fair extent in Holland, from which country the product can be conveniently delivered by sea to various points on the coast of the United Kingdom. It is of importance to note from this fact that it is not ordinarily economical to land a large shipment at any one point for distribution to small users.



Apart from such consumption outlets as medicinal uses, the production of carbon dioxide and some others of relative unimportance so far as volume used is concerned, there are three principal outlets for magnesite:—

#### FLOORING

Composition flooring composed largely of calcined magnesite and magnesium chloride, tinted to requirements, is used fairly widely. The magnesite from Greece and India is most favoured for this purpose, but supplies from Austria and Scandinavia are also employed. Crude magnesite for flooring should usually show a magnesium oxide content of 46 to 48 per cent; when calcined the MgO content should be over 90 per cent. Occasionally importers require that the shipper of magnesite be in a position to provide magnesium chloride as well as magnesite, but this is not always essential.

#### REFRACTORIES

Magnesite is an important constituent for the preparation of linings for blast and other furnaces. This is a difficult part of the market because personal experiences and usages control, to a large degree, the type of material used. A magnesite considered excellent by one user may quite possibly be unacceptable to another; analyses are relatively unimportant. The only way to prove definitely that magnesite from a certain source is satisfactory is by actually using it in a blast furnace, a process which, because of its expense, is quite naturally repugnant to any one satisfied with materials already being used. Austrian magnesite is used largely for this purpose, due, it is said, to its high iron content.

#### MAGNESIUM METAL

At the present time there is at least one company producing metallic magnesium in the United Kingdom from imported magnesite; production from dolomite, which is plentiful in this country, has not yet been commercially possible. Due to the increasing use of magnesium in the preparation of light-weight alloys, it may be expected that the demand for the metal will continue and increase. The requirements are for dead-burned magnesite of 93 to 94 per cent magnesium oxide and having a loss on ignition of about 0.5 to 0.3 per cent. The content of ferrous oxide is most important and, while it may be as much as 1 per cent, it should generally not exceed 0.5 per cent. Similarly the lime content should preferably not be more than 1.5 per cent.

#### ANALYSIS

The measure of quality in magnesite is found for all uses, even including to a degree the production of refractories, in the content of magnesium oxide. Samples of 2 to 5 pounds are always required for analysis prior to the purchase of a small trial shipment for practical test.

An attempt to provide a table of comparative analyses of the types imported has been abandoned due to the variations not only as between origins by countries, e.g. Greece and India, but also among the various types from each country. However, taking one analysis of good Greek crude magnesite of flooring quality as an indication of requirements we note MgO 47.68, CO<sub>2</sub> 47.72, SiO<sub>2</sub> 2.1, CaO 0.73, Al<sub>2</sub>O<sub>3</sub>, Fe<sub>2</sub>O<sub>3</sub> and FeO total 0.63, H<sub>2</sub>O 0.62, moisture 0.51. Another good Greek type, described as calcined but probably semi-burned, shows MgO 92.5, SiO<sub>2</sub> 1.12, CaO 0.55, Al<sub>2</sub>O<sub>3</sub> 0.22, Fe<sub>2</sub>O<sub>3</sub> 0.24, SO<sub>3</sub> 0.4, H<sub>2</sub>O 0.4, loss on ignition 4.37. Still another analysis of a "typical calcined" cargo gives MgO 89.47, SiO<sub>2</sub> 2.62, CO<sub>2</sub> 2.53, CaO 1.31, Fe<sub>2</sub>O<sub>3</sub> and Al<sub>2</sub>O<sub>3</sub> 0.26, SO<sub>3</sub> 0.01, moisture 0.74, combined organic matter 3.04, and loss in heating 6.31. The simple deduction is to the effect that analyses vary and

each importer or purchaser makes his own decision to fit his needs. The only point in common is the demand for a high content of  $MgO$ , a minimum of impurities, except for refractory magnesite where the right impurities, especially iron, are useful, and a low price.

#### PRICE

Prices, like analyses, are varying. They, too, depend largely on the content of  $MgO$ , and, of course, on the usual market factors. One importer advises that calcined magnesite from India is valued at about £6 per long ton, delivered to the works of the consumer; another states that an approximate c.i.f. price would be £5 to £5 10s. per long ton for both calcined and dead-burned. A pea-size calcined magnesite of good quality might sell for £12 delivered works and a screened dust about £12 10s. On the other hand, crude hydro-magnesite has been valued at £3 to £3 15s. per long ton c.i.f. London. Magnesite of non-Empire origin is required to pay an import duty of 10 per cent.

This range of prices is of little help to the prospective exporter but serves again to indicate the variety of the material and grades offered, the almost personal nature of requirements, and the importance of the proportion of magnesium oxide.

#### COLOUR

Colour, while theoretically of no importance, is a factor which in practice does affect sales. The Russian and Hungarian magnesites are described as being of dark creamy colour, the Grecian as having a slight tinge of pink and the Indian as being white. Colour, in itself, is of interest only to the manufacturer of flooring compositions who invariably tints his product. His colours must be standard and constant, his mixtures are of set proportions and, as a result, he is loath to experiment with a different magnesite because, no matter how minute the actual difference in shade, the effect on his colouring processes would be noticeable and could easily involve expensive delays and changes.

#### CANADIAN MAGNESITE

A moderate tonnage of magnesite has been imported from Canada for some years due, probably, to the value of the particular material as a refractory. It is extremely doubtful that any place will be found for Canadian hydro-magnesite because freight costs would weigh too heavily. The freight rate to England from Greece is in the neighbourhood of 10s. per long ton, a figure difficult to meet, especially when combined with relatively low production costs. The freight costs involved in shipping crude hydro-magnesite are, of course, considerably increased by the high moisture content; calcining would almost inevitably be required for the Canadian product in order to obviate that difficulty, particularly as calcining is such a simple and inexpensive process.

In addition, Canadian crude hydro-magnesite offered in this market in recent years has had an  $MgO$  content of only 40 to 44 per cent, which in itself has been discouraging to interested importers. A less important but relevant criticism is that hydro-magnesite may be too fine for handling in some of the existing plants in this country, with consequent loss in processing.

Interest has been displayed in Canadian magnesite for flooring, refractories and metal production. Canadian producers should study their material closely to ascertain if it will meet the ever-present demand for a high content of magnesium oxide. More particularly should they explore the question of freight costs. Those producers who consider they are in a position to ship calcined or dead-burned magnesite should submit a representative sample of about 2 pounds, together with an analysis indicative of the run of magnesite available and should quote their best prices c.i.f. London for from 50- to 100-ton (2,240 pounds) lots, with a view to interesting importers in taking a small trial shipment for experiment.



## MARKET FOR UNMANUFACTURED LEATHER IN ENGLAND

E. L. McCOLL, CANADIAN TRADE COMMISSIONER

Bristol, July 31, 1937.—Leather prices have risen to such a point in England that buyers are exercising caution with the result that sales in all kinds of goods are confined to immediate needs. Prices, however, remain firm and tanners anticipate a further rise in August. The market for raw hides and skins is firm.

### SHOES

The shoe business is better than at this time last year. The large retailers' stocks of last autumn have been liquidated and present supplies are small, replenishments being made in limited quantities for quick and frequent deliveries.

Shoe manufacturers affirm that if leather prices go higher they will be forced to introduce substitutes, such as composition soles and fabric uppers, for the lowest grades, to meet conditions similar to that which arose a few years ago when increased demands from several European countries raised prices in the United Kingdom. To win back the public and head off this trend to composition substitutes after this Continental demand had abated, the leather industry was forced to enter upon a vigorous advertising campaign.

Tanners, however, maintain that substitutes were found to be unsatisfactory as the soles were not sufficiently flexible and they do not fear this kind of competition. In May, 1935, when leather prices were low, the returns of the Boot Manufacturers' Federation showed that 8.1 per cent of its output had substitute soles, and in May, 1937, a period of appreciably increased prices for sole leather, the figure was 8.5 per cent.

### IMPORTS

Total dressed leather imports for the first six months of 1937 were valued at £2,113,034, an increase of £25,760 over the same period last year.

Nearly three-quarters of the leather imported into the United Kingdom comes from Empire countries.

### GLACE KID

There is an increase in the popularity of this leather, especially in bright colours. Black, however, has a consistently steady demand, and brown and blue are selling well. Imports declined from 5,126 cwts. (£325,396) for the first six months of 1936 to 3,030 cwts. (£219,596) during the same period in 1937. Shipments from Empire countries amounted to 126 cwts., valued at £6,515 in 1936, increasing to 578 cwts., valued at £37,083 in 1937.

The tanning and finishing of this classification has increased considerably in recent years. The top grades, which constitute 5 per cent of the total production, go to the "bespoke" or handmade shoe trade, and have been obtaining from 2s. 9d. to 3s. per square foot. Prices for glace kid for the chain-store shoe range from 1s. 6d. to 2s. This latter class probably accounts for 75 per cent of the total. India is now supplying an almost finished article. At one time the skins were sent over in the raw, but tanneries and dressing stations are now being built in India and the skins have only to be glazed and finished off on arrival here.

Percentages of the total value imported for the first six months of 1937 by countries were as follows: United States, 42; Germany, 20; British countries, 17; France, 12; other foreign countries, 9.

### PATENTS

This type of leather is used mainly for men's dress footwear. The use of patent leather for ladies' shoes has definitely fallen off in recent years. Imports

for the first six months of 1936 amounted to 6,336 cwts. valued at £168,972, and for the same half of this year 6,555 cwts. valued at £216,115. Percentages of the total value imported during 1937 by countries were as follows: Canada, 76; United States, 16; other foreign countries, 8. Top grades, for which there is a small but steady demand, are prices around 3s. 3d., and mediums from 2s. 3d. to 2s. 6d. There is no call for splits.

The raw goat-skin market has advanced considerably and manufacturers are asking higher prices.

#### SUEDE

Calf and sheepskin suedes are in demand. Prices, which are high, are holding firm. This leather is quite popular at the moment and is used in a great variety of colours.

#### BOX AND WILLOW CALF

Inquiries for this class of leather have been steady, but for immediate needs only. Imports decreased from 23,900 cwts. valued at £851,504 for the first half of 1936, to 17,490 cwts., valued at £634,625 for the same period of the present year. Percentages of the total value imported during the first six months of 1937 by countries are as follows: Canada, 27; other British countries, 18; Germany, 16; other foreign countries, 39.

#### OTHER SORTS OF DRESSED LEATHERS

Business in the following classifications is restricted to immediate needs, as is the case with other leathers. Total imports of box sides and other hide upper leather for the first six months of 1936 and 1937 respectively amounted to 15,355 cwts. valued at £300,916, and 13,666 cwts. valued at £336,076.

Chrome and other tanned: imports during the period under review for 1936 and for the corresponding period of 1937 were respectively 9,388 cwts. valued at £256,388, and 6,276 cwts. valued at £206,113.

Imports of sheep, goat and kid (other than upper leather) for 1936 and 1937 were 2,737 cwts. valued at £62,660, and 2,520 cwts. valued at £84,122.

### PRODUCTION EXPANSION IN THE MIDLANDS

E. L. McCOLL, CANADIAN TRADE COMMISSIONER

Bristol, July 27, 1937.—The demand in the engineering and ancillary trades of the Birmingham area has got quite beyond the means of supply. Steel is being produced in the United Kingdom at the rate of 850,000 tons a year in excess of 1936. Although the supply of iron ore from Bilbao, North Africa, and Scandinavia has been greater than at any time during the last ten years, production is not equal to demand. When outlining the iron and steel situation of the Midlands, one cannot get away from the direct effect which the Continental position exercises upon supply and demand. As an example of the general situation let us refer to one country which, while perhaps the largest consumer, is nevertheless typical of what is taking place.

Last year Germany consumed 18,000,000 tons of foreign ore. This immense importation may decline slightly during the next year or two, as it is reported that three new smelting works are to be erected for the purpose of recovering and smelting certain extensive iron ore deposits located in Germany but which have previously been neglected. Her iron and steel requirements exceed supply.

The last few months have shown improvement in almost every line of industrial activity. This is quite apart from the revival in retail trade which began its upward trend with the fillip of spring and the Coronation. While



progress has not been spectacular, nevertheless it has been steady, sound, and satisfactory. The retail trade for May of this year in the Midlands and South Wales area was 16·6 per cent ahead of May, 1936. (No figures are obtainable for the Midlands alone.) The same trade for the United Kingdom was up 13·2 per cent. The two extremes were London (Central and West End), up 3·3, and Northeast England, 17·2 per cent. Referring again to the Midlands and South Wales, girls' and children's wear headed the increases with 20·5 per cent, and boots and shoes came second with 17·9 per cent.

#### BIRMINGHAM

Building and general construction, including that of roads and other public utilities, together with general industrial expansion, is bringing such a volume of business to Birmingham and to the industrial Midlands as a whole that civil, mechanical, and electrical engineering firms are kept working at high pressure in all their branches. Machine tool manufacturers find it difficult to meet the demand resulting from increased mechanization. One result of this activity is that a considerable quantity of iron and steel products has to be imported as Birmingham cannot produce them fast enough.

It is said that recently imports of machine tools have been increasing and exports seriously handicapped in spite of a marked demand from abroad, which manufacturers are compelled to decline. The situation points to the probability that anything in the form of steel which can be produced during the next eighteen months will be required. A considerable part of the new business comes from National Defence requirements, but this material is being provided without any serious dislocation to normal trade except in so far as having created a shortage of skilled labour and materials. Lack of steel is holding up production in constructional work, both mechanical and electrical.

Rerollers of billets are disappointed with a shortage that has developed. The plethora of orders has created such a scarcity of raw material that a number of rerolling establishments have had to shut down and others are forced to operate on short time. Many sheet mills are suffering the same difficulties. Overseas orders for steel tubes are plentiful but, owing to the high price and scarcity of raw material, and the shortage of skilled labour, full advantage cannot be taken of this business.

#### LEICESTER

One of the leading industries of Leicester is boots and shoes. Manufacturing for the autumn demand has created an atmosphere of activity, but, as in other trades, labour is at a premium. There is plenty of work in hand for the summer type of shoe as the weather has been extremely fine. Wholesale distributors and multiple stores report that there is more demand for better-class goods, and that on the whole there is a quicker turnover than at this time last year. Export trade is also reported to be active.

The hosiery trade, also one of the leading industries of Leicester, reports much better conditions owing to the increased spending power of the country as a whole. Warmer weather has resulted in a greater consumption, and the retail trade is displaying more confidence with regard to its autumn purchases.

The manufacturers of women's clothing, including two-piece suits and fancy outerwear, are experiencing a steady demand. The demand for coarse wools for the carpet trade, and for Government orders for khaki and blankets, is given as an explanation for the rise in price of coarse wools from 8d. last year to 15d. and more to-day. While the price of fine wools has also increased, the rise has not been so marked. Prices last year were around 14d. with 18d. to 19d. to-day.

#### COVENTRY

At this time of the year it is usual to find slackness in the motor trade, but there is no diminution of business. Improved prosperity has been responsible

for an increase in demand for cars of higher horse-power and more luxurious appointments. One car company reports that sales during the slackest week of the present season were greater than during the busiest week of last season. An official of another Coventry motor car company is reported to have stated that its exports during the last twelve months equalled its total annual production of cars six years ago. New companies desirous of obtaining sites in the neighbourhood—one of which requires four acres for a motor body works—and an increasing production capacity of many existing factories point to encouraging industrial expansion. The cycle trade has been expanding apace; next season it is expected that there will be a considerable rise in price.

### WALSALL

The expanding leather trade of Walsall is experiencing trouble, due to a shortage of skilled labour, all of which in that vicinity has been absorbed. There has been a considerable increase in wages, and this fact, together with a recent advance in prices for raw materials, has stimulated retail buying, due to the knowledge that increased prices for finished products are certain in the near future. Accessories for motor cars and motor cycles are in strong demand. Here again manufacturers are experiencing difficulty in finding sufficient skilled labour. Manufacturers of electrical fittings, as well as the building trades, are sharing in the general activity.

## TRADE COMMISSIONERS ON TOUR

The following Canadian Trade Commissioners are now on tour in the Dominion: Mr. J. H. English, London, England; Mr. F. W. Fraser, Kingston, Jamaica (whose territory covers Jamaica, Haiti, the Bahamas, and British Honduras); Mr. G. R. Heasman, Cape Town, South Africa (whose territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar); and Mr. L. S. Glass, Rio de Janeiro, Brazil. Their itineraries are as follows:—

### Mr. English

Vancouver and Victoria	Aug. 30 to Sept. 20	Winnipeg	Sept. 27 and 28
Vernon	Sept. 22	Fort William	Sept. 29
Kelowna	Sept. 23	Ottawa	Oct. 1 to 8
Calgary	Sept. 24		

### Mr. Fraser

Digby, Yarmouth, and Carleton	Aug. 30	Truro and Pictou	Sept. 8
Lockeport, Liverpool and South Brookfield	Aug. 31	Charlottetown	Sept. 9 and 10
New Germany, Lunenburg, Bridgewater and Mahone Bay	Sept. 1	Port Elgin, Amherst and Sackville	Sept. 11 to 13
Halifax	Sept. 2 to 4	Sussex and Fredericton	Sept. 14
Stewiacke and Kentville	Sept. 7	Grand Falls	Sept. 15
		Quebec	Sept. 16 and 17
		Grand'Mere and Terrebonne	Sept. 18
		Montreal	Sept. 20 to Oct. 9

### Mr. Heasman

Ottawa	Sept. 16
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### Mr. Glass

Halifax	Aug. 24 and 25	Ottawa	Sept. 27
Montreal	Aug. 27 to Sept. 8		

Firms who wish to be brought in touch with the Trade Commissioners should communicate, for Vancouver and Winnipeg, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres with the respective Board of Trade or Chamber of Commerce.



## SUMMARY OF THE TRADE OF CANADA: MONTH, SIX MONTHS, AND TWELVE MONTHS ENDING JUNE, 1937

(Compiled by External Trade Branch, Dominion Bureau of Statistics)

Main Groups	Month of June, 1937				Five months ending June, 1937				Twelve months ending June, 1937			
	Total Imports	From United Kingdom		From United States	Total Imports	From United Kingdom		From United States	Total Imports	From United Kingdom		From United States
	\$	\$	\$		\$	\$	\$		\$	\$	\$	\$
<i>Imports for consumption</i>												
Agricultural and Vegetable Products.....	14,074,798	1,621,914	4,387,278	4,387,278	65,150,588	9,481,330	22,495,155	22,495,155	137,117,035	18,706,327	40,117,966	40,117,966
Animals and Animal Products.....	2,910,607	4,477,120	1,088,442	1,088,442	17,342,523	3,373,261	7,380,344	7,380,344	30,125,273	5,749,341	12,749,452	12,749,452
Fibres, Textiles and Textile Products.....	10,741,765	4,428,848	3,258,880	3,258,880	62,074,251	26,898,002	21,505,425	21,505,425	112,583,273	48,749,556	40,173,309	40,173,309
Wood, Wood Products and Paper.....	2,845,402	3,760,137	2,275,176	2,275,176	15,970,886	1,835,388	13,111,426	13,111,426	30,695,310	3,925,577	24,575,929	24,575,929
Iron and Its Products.....	20,627,083	3,112,154	16,857,499	16,857,499	102,735,716	12,657,879	87,422,659	87,422,659	170,320,760	24,930,842	139,716,597	139,716,597
Non-Ferrous Metals and their Products.....	3,775,797	3,151,234	2,708,741	2,708,741	21,634,428	3,191,889	15,346,884	15,346,884	39,521,893	6,405,332	27,014,430	27,014,430
Non-Metallic Minerals and their Products.....	13,497,090	1,530,740	10,778,755	10,778,755	57,024,943	5,404,286	43,932,266	43,932,266	122,964,469	12,610,669	92,711,775	92,711,775
Chemicals and Allied Products.....	3,184,100	737,267	2,036,939	2,036,939	17,532,781	3,697,732	10,815,084	10,815,084	34,655,393	7,522,007	20,297,359	20,297,359
Miscellaneous Commodities.....	4,012,042	582,839	2,929,505	2,929,505	21,349,623	3,003,398	15,767,230	15,767,230	44,232,384	7,072,352	31,431,728	31,431,728
<b>Total Imports, 1937.....</b>	<b>75,668,684</b>	<b>13,392,253</b>	<b>45,621,215</b>	<b>45,621,215</b>	<b>380,815,689</b>	<b>69,533,165</b>	<b>237,774,473</b>	<b>237,774,473</b>	<b>722,201,790</b>	<b>135,671,983</b>	<b>428,788,545</b>	<b>428,788,545</b>
1936.....	57,598,132	11,063,661	33,994,850	33,994,850	293,804,743	56,832,446	178,842,571	178,842,571	583,746,901	120,401,205	335,597,383	335,597,383
1935.....	46,731,659	9,934,185	25,911,997	25,911,997	260,372,393	53,101,468	155,061,792	155,061,792	526,452,040	112,892,232	302,767,076	302,767,076
<i>Exports (Canadian Produce)</i>												
Agricultural and Vegetable Products.....	24,952,248	15,351,108	3,095,472	3,095,472	110,027,087	60,661,044	20,568,771	20,568,771	337,076,895	190,478,643	75,223,186	75,223,186
Animals and Animal Products.....	11,747,706	6,827,298	3,980,210	3,980,210	70,537,768	36,735,564	25,863,445	25,863,445	138,571,535	77,114,713	46,165,870	46,165,870
Fibres, Textiles and Textile Products.....	1,680,600	457,511	459,140	459,140	6,862,197	1,657,548	1,423,008	1,423,008	33,554,908	2,798,067	2,949,075	2,949,075
Wood, Wood Products and Paper.....	24,531,190	4,097,644	16,283,250	16,283,250	118,945,090	17,690,758	84,367,403	84,367,403	237,748,588	38,663,093	163,962,314	163,962,314
Iron and Its Products.....	5,920,213	1,061,843	732,915	732,915	30,875,617	7,158,490	3,290,462	3,290,462	57,097,493	14,031,160	6,448,742	6,448,742
Non-Ferrous Metals and their Products.....	31,831,622	8,864,028	17,598,232	17,598,232	146,108,705	46,370,753	74,920,179	74,920,179	263,743,436	83,469,624	138,142,087	138,142,087
Non-Metallic Minerals and their Products.....	2,885,281	301,018	1,661,259	1,661,259	13,970,899	1,189,814	9,560,013	9,560,013	28,268,220	2,836,193	18,532,970	18,532,970
Chemicals and Allied Products.....	2,059,365	431,440	904,325	904,325	12,344,729	2,595,409	6,283,796	6,283,796	20,627,276	4,738,598	9,802,479	9,802,479
Miscellaneous Commodities.....	1,869,579	526,831	965,448	965,448	8,179,907	1,897,503	4,484,135	4,484,135	16,260,592	3,134,340	9,923,432	9,923,432
<b>Totals, 1937.....</b>	<b>107,477,804</b>	<b>37,918,721</b>	<b>45,680,251</b>	<b>45,680,251</b>	<b>517,851,999</b>	<b>175,956,883</b>	<b>230,769,912</b>	<b>230,769,912</b>	<b>1,113,248,943</b>	<b>417,254,421</b>	<b>470,598,464</b>	<b>470,598,464</b>
1936.....	79,181,200	33,270,582	26,462,157	26,462,157	419,808,491	158,533,447	168,838,015	168,838,015	598,138,256	349,005,463	367,064,100	367,064,100
1935.....	58,504,829	17,513,976	27,737,932	27,737,932	346,954,349	116,425,026	157,741,651	157,741,651	758,033,947	283,352,107	315,523,490	315,523,490
<i>Exports (Foreign Produce)</i>												
<b>Totals, 1937.....</b>	<b>1,379,539</b>	<b>80,065</b>	<b>1,299,817</b>	<b>1,299,817</b>	<b>7,955,476</b>	<b>676,751</b>	<b>6,630,864</b>	<b>6,630,864</b>	<b>15,914,535</b>	<b>1,112,547</b>	<b>13,618,067</b>	<b>13,618,067</b>
1936.....	761,136	95,320	583,337	583,337	4,737,460	482,505	3,899,591	3,899,591	12,977,373	878,142	11,361,069	11,361,069
1935.....	893,887	116,308	692,163	692,163	4,819,032	421,775	4,068,279	4,068,279	8,414,556	878,142	6,891,044	6,891,044
<i>Excess of Imports (f) or all Exports (e)</i>												
<b>Totals, 1937.....</b>	<b>(e) 33,188,659</b>	<b>(e) 24,606,533</b>	<b>(e) 1,288,853</b>	<b>(e) 1,288,853</b>	<b>(e) 144,991,736</b>	<b>(e) 107,100,469</b>	<b>(t) 375,697</b>	<b>(t) 375,697</b>	<b>(e) 406,961,688</b>	<b>(e) 282,694,985</b>	<b>(e) 55,427,986</b>	<b>(e) 55,427,986</b>
1936.....	<b>(e) 22,344,204</b>	<b>(e) 22,302,241</b>	<b>(t) 6,949,356</b>	<b>(t) 6,949,356</b>	<b>(e) 130,741,208</b>	<b>(e) 102,183,596</b>	<b>(t) 8,111,965</b>	<b>(t) 8,111,965</b>	<b>(e) 327,368,728</b>	<b>(e) 229,432,400</b>	<b>(e) 43,427,786</b>	<b>(e) 43,427,786</b>
1935.....	<b>(e) 12,667,027</b>	<b>(e) 7,676,099</b>	<b>(e) 2,518,098</b>	<b>(e) 2,518,098</b>	<b>(e) 91,400,988</b>	<b>(e) 68,746,553</b>	<b>(e) 6,148,138</b>	<b>(e) 6,148,138</b>	<b>(e) 239,996,443</b>	<b>(e) 171,333,708</b>	<b>(e) 19,647,458</b>	<b>(e) 19,647,458</b>

## JUTE INDUSTRY OF BENGAL

PAUL SYKES, CANADIAN TRADE COMMISSIONER

(One rupee equals 1s. 6d.)

Calcutta, July 15, 1937.—India's export trade to Canada has for many years been based on the demand for two typical products of this country—tea and jute. In this report there is given a summary statement of India's jute industry and trade. Succeeding reports will deal in the same way with tea and other commodities which are exported in substantial quantities to the Canadian market.

### POSITION OF THE INDUSTRY

Jute holds a minor position among the world's textile industries, but this is at the same time a unique one on account not only of its extreme localization, but also of the vital importance of jute products to international trade and to many of the principal industries throughout the world. As a material for packing, wrapping, protection, and innumerable purposes where a strong and durable fabric is required, jute is virtually indispensable. Its inherent qualities and price cannot be approached by any other textiles, and although its utilization is limited by the demand for a coarse material and by competition in some fields from hemp, flax, and similar products, it does not appear that its position can ever be seriously endangered.

### DEVELOPMENT OF THE INDUSTRY

The production of jute is peculiar to Bengal and parts of the adjacent province of Assam. The plant thrives in the warm and humid climate of Bengal. It requires not only suitable soil but a high temperature and ample rainfall during growth. It is also essential that growers have at their disposal generous supplies of water for retting and washing and that facilities for shipment or delivery to mills should be convenient. It is only in Bengal that such conditions are available and, despite efforts to duplicate the industry in various countries throughout Asia and Africa, the local industry retains its monopoly over the production and trade in these products.

It is known that jute has been grown in Bengal for several centuries and has been used in various forms by local industries, although in very limited amounts. The shortage of Russian hemp occasioned by the Crimean War is said to have given some stimulus to its production, but it was not until one hundred years ago that the industry, as it is to-day, can be said to have actually taken form.

The technique of manufacturing jute into the types of yarn and cloth that are known to-day was at that time developed by a flax-spinner of Dundee, and this Scottish city has ever since been closely associated with the local industry. It absorbs a large part of the raw and semi-manufactured jute which is shipped out of Calcutta, and although it has lately lost some of its former importance to other British and foreign manufacturing centres and to local mills, it is still one of the chief centres of the world's jute trade.

It was but natural that the production of various types of manufactured jute goods should be undertaken in India, and something over eighty years ago the first machinery for making jute yarn was installed in a plant near Calcutta. Development was very slow, however, and it was not until the closing years of the nineteenth century that the Dundee industry was seriously challenged by that of Bengal itself.

### JUTE INDUSTRY TO-DAY

The first jute mill established near Calcutta is said to have had an output of 8 tons of manufactured jute per day. By 1909 the daily outturn of jute



products had reached a total of 2,500 tons and has since increased to a daily average of some 4,000 tons. There are at present approximately one hundred mills in operation, which represent a capital investment of some Rs.250,000,000 and employ over 250,000 hands.

Following the tremendous impetus given to jute production during the war and shortly afterwards by the demand for sand bags, cloth, and other materials, the industry suffered considerable reaction and has since had to contend with such influences as the bulk carriage of grain and other goods and some competition from paper and alternative packing materials. It has concurrently been affected by increasing costs of production and by periodic labour troubles, but is still able to show reasonably satisfactory results. Records of total output indicate increases from 900,000 tons during the 1932-33 season to over 1,000,000 tons in 1934-35, and while exports have shown some decline, they are still substantially higher than those of five years ago.

The principal products of the industry are gunny bags and cloth. These two items make up approximately 80 per cent of the total output. Twist and yarn production averages some 40,000 tons per annum, and several mills are also engaged in the making of canvas, rope, twine, and other jute specialties.

Brief reference was made above to the localization which characterizes the production and manufacture of jute. It is unlikely that such an extreme tendency could be found in many other industries of similar size and importance. Practically the whole of India's manufactured or semi-manufactured jute products come from a narrow strip of territory along the banks of the Hooghly River above and below Calcutta. Such centralization has been based to a large extent on the availability of water transportation and handling facilities, both for the raw jute coming to the mills for processing and for exports, and on the supply of fuel or electric power. It is also due to the ample number of mill hands that can be recruited in a city with as large a population as Calcutta.

The jute industry is predominantly of European ownership and, as previously mentioned, is closely associated with Scottish interests. Several of the mills are, however, owned and operated by Indians, and a few are under non-British ownership and management.

The remarkable development of the local industry has, of course, had a counterpart in the Scottish trade. From a position where it had at one time a virtual monopoly of jute manufacturing, Dundee has now receded to one of secondary importance. The industry in Bengal, moreover, shows every promise of eventually securing an even larger share of the trade than it already enjoys.

As a unit in India's economic scheme the jute industry holds a position of the greatest importance. It is somewhat smaller than the cotton industry, which is centred in Bombay, but may still be reckoned as one of the outstanding industrial undertakings in the Indian Empire.

### JUTE EXPORT TRADE

Jute and jute manufactures hold second place among all of India's exports and are exceeded only by those of raw cotton and manufactured cotton goods. If a distinction is made between raw and manufactured materials, jute is then considerably inferior to cotton in the former category but is of outstanding importance among all India's exports of manufactured articles. Of the total value of all raw and manufactured jute exported in the year ending March 31, 1936, which amounted in value to Rs.371,970,863 (\$145,000,000), raw jute made up Rs.137,076,350, while the principal items of manufactured goods and their values were hessian gunny cloth (Rs.117,416,038), sacking gunny bags (Rs.89,-

857,685), hessian gunny bags (Rs.20,288,646), and sacking gunny cloth (Rs.4,-956,997). The other items in Indian trade returns for which exports of less than Rs.1,000,000 are recorded during 1935-36 are jute rope and twine, miscellaneous jute manufactures, twist and yarn, and canvas.

The total value of jute exports during 1935-36 is the highest recorded during the last five years and, if current trends in world trade in industrial materials may be taken as a basis for estimates for the future, it can be assumed that the gradual improvement in the trade since 1932-33 may be expected to continue.

In so far as destinations of India's jute exports are concerned, it is necessary to examine the question on a basis of individual products. Raw jute is shipped principally to the United Kingdom, Germany, France, and the United States. The United Kingdom and Germany have practically always led all other purchasers of this material, and although France is a consistently heavy buyer, the United States has only recently displaced Italy, Belgium, and Spain as of next importance. In the case of hessian gunny cloth, the United States and Argentina lead all other consumers; Australia and Cuba head the list of buyers of sacking gunny bags; and the United Kingdom consumes the largest quantities of India's exports of hessian gunny bags. It will be noted that in the case of manufactured jute products there is a direct relationship between India's exports to various countries and their particular requirements for packing and containing materials for their principal export commodities.

Previous reference to Bengal's domination of the jute trade is reflected in statistics of exports by provinces. Outward shipments of raw jute from the whole of India are made almost exclusively from this province, with small quantities being loaded at Madras or in minor ports in Madras province which are served by railways skirting the east coast of southern India. Virtually no raw jute is shipped out of Bombay and none whatever from Karachi. With regard to jute manufactures, Bengal's exports during the year 1935-36 made up no less than 99.8 per cent of the total for the whole of India. The balance is credited principally to Bombay and, to an unimportant degree, to Sind and Madras provinces.

#### EXPORTS TO CANADA

Indian trade returns indicate a recent development in the export of raw jute to the Canadian market. Whereas there are no records of any such business during the fiscal years 1931-32, 1932-33, and 1933-34, the trade amounted to some \$8,000 in 1934-35 and increased to some \$40,000 in 1935-36. Conversely, exports of sacking gunny bags to Canadian Atlantic ports disappeared entirely in 1935-36 after having amounted to some \$7,500 annually during several preceding years, although deliveries to the Pacific coast continued to be maintained. Hessian gunny bags are exported to the Canadian Pacific coast in values up to some \$50,000 to \$100,000 per annum, and sacking gunny cloth forms a basis for small but regular business to both coasts. It is in the case of hessian gunny cloth, however, that this trade assumes important dimensions. Shipments of this article, principally to the Eastern Canadian market, averaged Rs.7,200,000, or \$2,800,000, in value during the fiscal years 1931-32 to 1935-36, and Canada's importance as a buyer of this product was exceeded only by the United States, Argentina, and the United Kingdom.

It is to be expected that Indian jute, in various forms, will continue to be regarded as an essential material by many Canadian industries concerned with both domestic and export business and, in view of this demand, the trade in jute products from this country to the Canadian market appears to have an assured future.



## MARITIME TRADE OF BENGAL

PAUL SYKES, CANADIAN TRADE COMMISSIONER

(One rupee equals 1s. 6d.)

Calcutta, July 15, 1937.—The value of Bengal's maritime trade increased by 7 per cent during the past fiscal year as compared with that ending March 31, 1936. The values were Rs.1,411,500,000 for the past year as against Rs.1,320,200,000 for 1936. These figures include values of foreign merchandise, as distinct from treasure, of Rs.1,111,400,000 and Rs.1,050,300,000, and of Indian goods of Rs.168,300,000 and Rs.154,400,000 respectively. The port of Calcutta handled 97 per cent of all exports to foreign countries and 93 per cent of all such imports. In the case of coastal trade to Indian ports, Calcutta's share amounted to 87 per cent and 93 per cent of inward and outward shipments respectively. The balance is shipped from or received at the port of Chittagong.

### TRADE BY COMMODITIES

Records of import and export trade by commodities are based on returns for the port of Calcutta alone. These show a decline in the value of foreign imports of Rs.29,800,000 as compared with the previous year. The most important decreases were in the case of cotton goods, metals and ores, railway carriages and wagons, and instruments, apparatus, and appliances. These were offset, to some extent, by improved purchases of tobacco, oils, and spices. In exports, jute manufactures appreciated by Rs.44,500,000, raw jute by Rs.9,400,000, lac by Rs.7,600,000, seeds by Rs.5,400,000, tea by Rs.4,700,000, and grain, pulse, and flour, by Rs.3,900,000. There were no decreases of note and the net gain over 1936 figures was Rs.87,200,000, while the total value of exports was the highest since the year 1931.

### GEOGRAPHICAL DISTRIBUTION

Bengal's foreign trade is roughly half with the British Empire and half with other countries. During the last twelve months, Empire goods made up 57 per cent of all imports while British countries consumed 43 per cent of all exports. The value of exports to the Empire is nevertheless considerably greater than that of imports, and during the past year the difference amounted to Rs.105,900,000.

The actual percentage of total trade with individual countries was: the United Kingdom 35, United States 16, Japan 7, Germany 6, and Australia 2.6. Canada's share was 1.91 per cent as compared with 1.78 per cent during the preceding year.

### GENERAL REVIEW

Bengal's maritime trade during the past year reflects a continued improvement in economic conditions throughout the province. Much of the increase in export values is due to enhanced commodity prices, while the disparity between exports and imports is in no small measure a result of a heavy protective tariff. At a time, however, when world conditions have yet to show many anticipated improvements, it is felt that Bengal's recent progress and present position augurs well for further favourable developments in the local and foreign trade of the province and of the whole of India as well.

## REVIEW OF CHINA'S FLOUR TRADE<sup>1</sup>

B. A. MACDONALD, ASSISTANT TRADE COMMISSIONER

### 5. China's Domestic Flour Production

Complete information is not available as yet concerning China's flour production, but the main facts of interest to Canadian producers are distinguishable and may be noted briefly as follows:—

#### MAJOR PRODUCTION STILL PRIMITIVE

The greater part of the enormous wheat crop grown each year in China (annual average for China proper 820,000,000 bushels over the past seven years<sup>2</sup>) still does not constitute a cash crop but is consumed by the producing farmers themselves, being ground up by primitive methods and eaten in various forms such as "congee," a kind of gruel.

However, in the larger villages and towns there are thousands of small old-style mills with one or more pairs of mill-stones, operated by man- or animal-power to which the neighbourhood wheat is brought for grinding. No statistical data are available concerning these. It is the modern power-driven milling industry, however, which affects imported flour, and the following remarks therefore concern it alone.

#### BEGINNING OF MODERN MILLING INDUSTRY

The modern industry dates from about 1896, when the first mill was established at Shanghai by a group of German merchants. Others were started soon after by Chinese companies. Kiangsu Province, in which Shanghai is located, has remained ever since the chief producing region, but many other centres are now of importance also.

#### EARLY DIFFICULTIES

Like most Chinese industrial undertakings, the Chinese flour-milling industry suffered in its early stages from lack of management—experience, nepotism, and under-capitalization. These defects are apparently being gradually remedied now, with notable success in some instances.

Another handicap was disturbed political conditions, especially between 1911 and 1933. This explains the concentration of the industry at Shanghai, where conditions have been more stable.

Lack of transportation and of grain storage facilities, unstable currencies, and adulterated raw material were other difficulties. It is well known that at times an appreciable percentage of wheat purchased by the mills actually consisted of kernels made from mud.

Finally, the absence of tariff protection exposed the Chinese mills to drastic competition from foreign flour, except when wheat prices abroad were high, as they were during and immediately after the European War. That was a period of great prosperity in the Chinese industry.

#### PRESENT POSITION GREATLY STRENGTHENED

The foregoing difficulties have been mentioned in order to emphasize the greatly strengthened position which the domestic industry now holds, and which is

<sup>1</sup> The following sections appeared in the last issue of the *Commercial Intelligence Journal*: 1, Introduction; 2, History of China's Flour Trade; 3, Distribution of Imports; and 4, Regulations affecting Flour.

<sup>2</sup> See report on "China's Wheat Production," *Commercial Intelligence Journal* No. 1718 (January 2, 1937).



of paramount importance in considering the future outlook for imported flour. This altered position is due primarily to the introduction of tariff protection, but the improved national political and economic conditions which have come during the past three or four years are factors also. And finally, the flour industry, like so many others in this country, is reaping the benefit of accumulated experience and technical training in its owning, managing, and operating personnel.

Some of the Chinese mills are now operated by graduates of Western technical and agricultural institutions, whose knowledge of, and contact with, all matters affecting their business is the equal of that obtaining in the West.<sup>1</sup>

Thus, while the history of the industry has been marked until just recently by frequent failures or closures of individual mills, and by periods of distress for all of them, 1936 was on the whole definitely profitable.

#### LOCATION OF THE MILLS

As mentioned earlier, Shanghai, in Kiangsu Province, is the chief centre of the industry. There are some fifteen mills operating at present in this city, practically all of which have quite modern equipment.

In the nearby cities of Ningpo, Wusih, and Nanking there are one, four, and three mills respectively, with another in Wusih under construction. There are also a number operating in other smaller centres of Kiangsu Province, and several in Hankow, Hupeh Province. In Tsingtao there are three mills, with a fourth proposed. At Tsinan there are seven, and in Tientsin six, of which one, it is reported, is not operating at present.

With stable peaceful conditions now prevailing throughout most of China proper, it could be expected that local Chinese grain dealers and capitalists in the wheat-producing centres of the interior would interest themselves in modern mills. Inquiries made among representatives of foreign flour-milling machinery manufacturers confirm this. They report recent sales of several plants and increasing requests for information from more distant cities, which indicate a dual trend towards expansion and decentralization.

#### OWNERSHIP

The flour-milling industry in China proper differs from some other major industries, such as cotton milling, for example, in being almost entirely Chinese-owned. There have been rumours that Japanese interests, especially certain of the big mill groups in Japan, contemplate entering the field, more particularly in North China, but so far as can be learned at time of writing, they have not yet done so. It is said that advantages which the Chinese operators have in dealing with the native farmers and middlemen is so great as to make it difficult, if not impossible, for foreign operators to compete successfully. In addition, it is possible that expansion in Manchuria will absorb the energy and available capital of Japanese interests for some time to come.

The majority of the mills in Shanghai are owned by two large companies—the Mow Sing and Foh Sing Flour Milling Company and the Fou Foong Flour Mills Company respectively. Three of the mills in Tientsin are owned by one company.

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<sup>1</sup> In addition, certain of the mills employ foreign experts.

## CAPITALIZATION

It is impossible to say how much capital is represented in the modern Chinese flour industry, but one recent estimate<sup>1</sup> has placed it at Chinese \$40,-000,000 (approximately Can.\$12,000,000). Another estimate<sup>2</sup> made in 1933 placed the investment in the mills of Kiangsu Province (including Shanghai) at Chinese \$13,000,000 (approximately Can.\$3,900,000).

## CAPACITY

Little data are available concerning the total capacity of the modern mills. One survey made in 1933<sup>2</sup> suggested the combined capacity of those in Kiangsu alone to be 51,352,000 forty-nine-pound bags per annum, but this is probably an under-estimate because Kiangsu's actual production of flour in that year was, as will be seen later, 50,000,000 bags, and it is known that the mills have never been able to run anywhere near their annual capacity.

The annual capacity of individual mills, according to the same authority, ranged between 85,000 bags for the smallest mill to 7,200,000 bags in the case of the largest. One mill now operating in Shanghai can produce 22,000 bags per day.

The daily capacity of the mills in the other leading centres is reported to be as follows<sup>3</sup>: Tsingtao, three mills of 6,000, 1,500, and 700 bags respectively; Tsinanfu, seven mills of 6,500, 3,250, 3,250, 3,000, 2,000, 2,000, 1,500 bags respectively; Tientsin, five mills, all 5,000 bags per day.

## CHINA'S ACTUAL PRODUCTION OF MACHINE-MILLED FLOUR

The following figures, obtained through the courtesy of the Internal Revenue Administration of the Chinese Ministry of Finance, give some idea of the total annual production of machine-milled flour. In reality, they represent the returns for ex-factory shipments and not actual production, but, as the latter is not obtainable, they constitute the best guide available. The returns have been obligatory for all power mills since July, 1932, in connection with the "consolidated tax" (excise tax) of Chinese \$0.10 per bag (49 pounds) levied on all domestic flour.

	July-Dec., 1932	1933	1934	1935	1936
1,000 bags of 49 lbs . . . . .	34,621	73,270	73,016	74,194	64,008
1,000 short tons . . . . .	848	1,795	1,789	1,818	1,600

(Production in Canada in 1934 was 1,470,000 short tons, and in 1935, 1,385,000 short tons.)

## PRODUCTION BY PROVINCES, 1932-36

The following table shows the flour production by provinces:—

Table No. 6: China's Flour Production by Provinces

Provinces	July-Dec. only		1934	1935	1936
	1932	1933			
		Figures in 1,000		Short Tons	
Kiangsu . . . . .	548	1,227	1,136	1,111	837.0
Chekiang . . . . .	7	19	2	7	9.0
Anhwei . . . . .	19	46	30	53	57.0
Hupei . . . . .	33	74	86	120	123.0
Hunan . . . . .	3	2	4	4	0.2
Shantung . . . . .	99	184	238	254	241.0
Honan . . . . .	27	46	68	71	81.0
Hopei . . . . .	102	178	201	164	193.0
Shansi . . . . .	10	18	21	24	44.0
Suiyuan . . . . .	...	....	4	8	9.0
Szechuen . . . . .	...	....	....	1	4.0
Kiangsi . . . . .	...	....	....	....	1.0
Kwangtung . . . . .	...	....	....	....	0.4
Total . . . . .	848	1,794	1,790	1,817	1,599.6

<sup>1</sup> H. S. Chow, "Quarterly Review of Chinese Railways," January, 1937, page 93.

<sup>2</sup> See "Flour Industry in Kiangsu," *Chinese Economic Journal*, July, 1933, pages 36-38.

<sup>3</sup> See "Flour Trade of Tientsin" by C. S. Bissett, *Commercial Intelligence Journal* No. 1704 (September 26, 1936), page 596.



It will be noted that there is so far no production in South China, and that Kiangsu Province (Shanghai, etc.) accounts for over half the total, although the output in other Central and Northern provinces shows a tendency to increase.

The drop in Kiangsu's production in 1936 as against 1935 was due to decreased demand resulting from the rising prices of wheat and flour which in China have followed the upward trend abroad. The Chinese manager of one of the leading mills states that this has forced a large proportion of the flour-eating population to cease, or to decrease, their consumption of flour in favour of cheaper foodstuffs.

#### PRODUCTION BY MONTHS

The following table covering production by months during 1936 is of interest because it shows clearly the heavier output which characterizes the second half of each year due to the fact that China's domestic wheat crop does not become available until June:—

*Table No. 7: China's Flour Production by Months, 1936*

	Short Tons		Short Tons
January . . . . .	109,271	July . . . . .	127,853
February . . . . .	101,767	August . . . . .	132,221
March . . . . .	115,575	September . . . . .	166,314
April . . . . .	124,297	October . . . . .	155,931
May . . . . .	92,569	November . . . . .	166,618
June . . . . .	138,416	December . . . . .	169,189
Total first half . . . . .	681,895	Total second half . . . . .	918,126
Year's total, 1,600,021 tons			

Considerable difficulty has been experienced in storing Chinese wheat, and one of the largest mills in Shanghai is erecting a building which will hold about 40,000 tons and be equipped for cleaning and drying.

#### TYPES OF FLOUR PRODUCED

Chinese mills produce several grades of flour, but, generally speaking, the great bulk of the production consists of a straight grade sold under two qualities. The "long" process is little known, the present policy being apparently to use the "short" process to turn wheat into flour as quickly and as cheaply as possible. This is inevitable in a country where the mass purchasing power is so low that even an infinitesimal difference in price influences buyers. Some mills are experimenting with higher-quality cut-offs, but due to the softness, high moisture content, low gluten content, and comparatively poor quality generally of Chinese wheat, it appears unlikely that flour of a type to compete with Canadian patents and better clears will be produced in the near future.

#### FLOUR EXCHANGES

A Flour Exchange has been in operation in Shanghai since 1921, which has assisted the mills here by providing facilities for hedging their wheat purchases. A similar exchange was recently opened in Tientsin, which should assist the industry in the north.

The capital of the Shanghai Exchange was increased in 1936 from Chinese \$750,000 to Chinese \$1,000,000 (Can.\$300,000). Its regulations provide that if quotations fluctuate more than Chinese 10 cents from the closing price of the previous day, trading must be suspended.

## CHINA AS AN EXPORTER OF FLOUR

It may be of interest to note China's exports of flour in order to see whether they are likely to provide competition in the markets of Southeastern Asia, such as Hongkong, the Philippine Islands, French Indo-China, Siam, the Straits Settlements, and the Netherlands Indies.

The total exports from China to *foreign* countries between 1908<sup>1</sup> and the present are shown in tabular form below. The figures represent thousands of short tons:—

Table No. 8

1908.. . . . .	26	1915.. . . . .	13	1922.. . . . .	17	1929.. . . . .	2.0
1909.. . . . .	54	1916.. . . . .	20	1923.. . . . .	9	1930.. . . . .	0.3
1910.. . . . .	60	1917.. . . . .	53	1924.. . . . .	11	1931.. . . . .	1.7
1911.. . . . .	45	1918.. . . . .	134	1925.. . . . .	20	1932.. . . . .	0.1
1912.. . . . .	42	1919.. . . . .	180	1926.. . . . .	8	1933.. . . . .	0.6
1913.. . . . .	8	1920.. . . . .	264	1927.. . . . .	8	1934.. . . . .	1.5
1914.. . . . .	5	1921.. . . . .	136	1928.. . . . .	6	1935.. . . . .	0.4
						1936.. . . . .	2.9

It is important to note that the above figures do not include any movement, in either direction, between Manchuria and China proper: they represent shipments (a) from both China proper and Manchuria to all foreign countries between 1908 and the end of 1931; (b) from 1933 to 1936 they represent shipments only from China proper to foreign countries (not including Manchukuo).

Since 1921 the exports have been negligible, and those prior to that date were almost entirely from Harbin across the land frontier into Siberian Russia. During the later years of the European War, and those years following during which the allied troops were in Siberia, these shipments reached as high as 264,000 tons.

The war years did see also some appreciable exports to Japan and smaller shipments to Southeastern Asia, and even to the Near East and European countries. But these latter ceased as soon as normal conditions returned.

The position at present can be drawn from the table following, which shows exports by principal countries of destination during the past three years:—

Table No. 9: China's Exports of Flour by Countries, 1934 to 1936

	1934	1935	1936
	Figures in Short Tons		
Hongkong.. . . . .	380	151	586
Netherlands Indies.. . . . .	12	.....	871
Philippine Islands.. . . . .	945	247	640
Siam .. . . . .	.....	.....	272
Straits Settlements and the F.M.S. . . . .	1	.....	482
Total .. . . . .	1,352	429	2,856
Canadian \$ .. . . . .	\$42,000	\$12,000	\$94,000

The above figures indicate that while shipments did increase to Southeastern Asia in 1936 (due no doubt to efforts made by the Shanghai mills to offset decreased demand from the home market and Manchuria), they still fell short of 3,000 tons and Can.\$100,000. Whether the Shanghai mills, which accounted for all the above exports, will be able to develop the southern market remains to be seen, but it is obvious that so far they have made little headway.

## SHIPMENTS TO TIENTSIN AND SOUTH CHINA

Most of the mills in China proper find their market in nearby regions. But the Shanghai and other Kiangsu mills ship enormous quantities to Tientsin and smaller quantities to South China. It is impossible to ascertain what these total, but in 1936 Tientsin imported over 230,000 short tons from other domestic mill-

<sup>1</sup> China's exports of flour were not classified separately in the customs returns prior to 1908.



ing centres, and it is known that the greatest part came from Shanghai. The ports of South China, from Wenchow down, imported in 1936 about 110,000 tons of domestic wheat, which again came wholly from Shanghai.

#### SHIPMENTS TO MANCHURIA

Manchuria has also provided a large market for Shanghai flour but it has contracted since the Manchukuo authorities in December, 1934, imposed a tariff on flour of yen 1 per picul (133½ pounds), or roughly Can.\$4.35 per short ton. The Chinese Customs still regard these shipments as domestic trade and do not include them in the export statistics. The Manchukuo trade returns, however, show the following imports from China: 1932, 97,000 short tons; 1933, 184,000; 1934, 84,000; 1935, 5,000; 1936, 25,000 short tons.

### RAYON INDUSTRY TO BEGIN IN CHINA

B. A. MACDONALD, ASSISTANT TRADE COMMISSIONER

Shanghai, July 3, 1937.—The proposals for establishing rayon factories in China, which have been frequently discussed during the past two or three years as a result of the steady increase in the country's artificial silk consumption, seem likely to result in action in the near future.

Public announcement was made recently that a company called the East China Rayon Manufacturing Company had been formed, sponsored by a number of leading Chinese officials, financiers and industrialists, including both Dr. H. H. Kung, the Minister of Finance, and Dr. T. V. Soong, head of the Bank of China.

The capital of the company is to be Chinese dollars 6,000,000 (Can.\$1,800,000). Its head office is in Shanghai, and the factory is to be located in Chekiang Province just south of Shanghai. It is stated that if the organization plans proceed smoothly, the scheme should be in operation late next year. It is known that the foregoing is not the only plant being considered.

#### IMPORTS

The following table shows the value of China's imports of artificial silk during each of the past three years, according to the Customs Returns. In commenting on this trade during 1936, the Statistical Secretary of the Customs pointed out, however, that the smuggled artificial silk yarn and floss exceeded legitimate imports:—

	1934 Ch.\$	1935 Ch.\$	1936 Ch.\$
Artificial silk floss and yarn . . . . .	6,404,487	7,009,243	7,340,218
Artificial silk piece-goods . . . . .	186,857	231,127	922,962
Artificial silk and cotton piece-goods . .	104,867	70,765	112,158
Artificial silk wool piece-goods . . . . .	36,610	20,400	49,528

(Ch.\$1 equals approximately Can.\$0.30)

The following figures show the imports of artificial silk floss and yarn by weight from the principal supplying countries. It will be seen that Italy and Japan dominate the business, although other countries such as the Netherlands, Germany, Great Britain, and France also supply small quantities. It should be remembered that actual imports are said to be more than twice those shown below:—

	1934 Kg.	1935 Kg.	1936 Kg.
Total imports . . . . .	2,655,983	3,854,933	4,078,719
Belgium . . . . .	14,694	9,980	2,122
France . . . . .	44,664	42,010	10,101
Germany . . . . .	377,074	47,854	69,571
Great Britain . . . . .	42,883	22,629	14,364
Italy . . . . .	763,514	1,584,972	2,115,592
Japan . . . . .	1,272,382	2,057,411	1,721,688
Netherlands . . . . .	137,314	69,244	136,075

## WHEAT PRODUCTION AND REQUIREMENTS IN JAPAN

T. J. MONTY, ASSISTANT TRADE COMMISSIONER

(One koku equals 4.96 bushels; one picul equals 100 kin or 132 pounds)

Tokyo, July 12, 1937.—The Government policy of encouraging the domestic production of wheat in Japan has resulted in steadily increasing the domestic output for the last few years and gradually decreasing imports.

Production of wheat, which in 1930 amounted to 6,125,000 koku, had reached by 1935 a total of 9,661,000 koku, a record crop showing an increase of nearly 60 per cent in five years. Production in 1936, however, showed a slight regression to 9,000,000 koku. This smaller crop had the effect of strengthening prices towards the end of the year. Although production in Japan is sufficient to meet domestic requirements, especially in recent years, considerable imports are necessary for the purpose of catering to the substantial exports of wheat flour.

The wheat crop for 1937 has so far been estimated by the Ministry of Agriculture and Forestry at 9,500,000 koku. If outlying districts, not included in the above estimate, are taken into account, this year's crop may possibly surpass the 1935 record crop.

Imports of wheat have been steadily declining. In 1932 imports of wheat stood at 12,500,000 piculs, and these had declined by 1935 to 7,500,000 piculs and by 1936 to 5,171,000 piculs. The sharp decrease of wheat imports in 1936, however, was mainly due to reductions in millers' requirements brought about by a contraction of demand in export markets for flour.

### SOURCES OF SUPPLY

The principal sources of supply of wheat for Japan for the last six years has been Australia, followed by Canada and the United States. Imports from Australia in 1936 still constituted more than 50 per cent of the imports; Canada's share stood at over 30 per cent, China coming third with a little over 6 per cent.

The following table shows the principal sources of supply of wheat to Japan for the last eight years:—

*Imports of Wheat into Japan by Countries*

	China	Canada	United States Figures in 1,000	Australia Piculs	Total (including Others)
1929 .. . . .	225	6,650	2,440	2,403	12,232
1930 .. . . .	...	2,958	3,399	1,706	8,063
1931 .. . . .	...	2,598	884	8,554	12,040
1932 .. . . .	...	1,983	196	10,265	12,443
1933 .. . . .	...	1,875	49	6,598	8,520
1934 .. . . .	18	1,326	2,221	4,455	8,155
1935 .. . . .	3	882	46	5,558	7,417
1936 .. . . .	322	1,601	62	2,810	5,171

Imports of Australian wheat, principally used for grinding into wheat flour for export, have been showing considerable contraction since 1932, whilst Canadian wheat imports used largely in the manufacture of high grade flours for the confectionery and bakery trades and for the making of high-gluten-content flavouring extracts, have shown but slight reductions with the exception of 1935, when a sharp decrease resulted from trade difficulties during that year.

Imports of wheat from Canada for the January-to-May period of 1937 amounting to only 324,000 piculs indicates the tendency of reduced imports. These may be further threatened by the enforcement of stricter exchange control, imports of Manchurian wheat being favoured instead.



## WHEAT AND FLOUR TRADE REGULATION IN EUROPEAN COUNTRIES<sup>1</sup>

### II. Belgium

MAURICE BÉLANGER, ACTING TRADE COMMISSIONER

#### WHEAT

Brussels, July 23, 1937.—As early as 1932 the Belgian Government took measures to protect wheat growers and ensure the orderly liquidation at remunerative prices of the domestic wheat crop, which normally represents from 20 to 25 per cent of Belgium's total requirements. Regulations were enacted affecting both importers and millers, but these have been amended at various times in view of changing conditions and in the light of the experience gained in their application.

At the outset, no special taxes were imposed on imported wheat, but millers were compelled to use at least 5 per cent of domestic wheat in their blends. This proportion was subsequently increased to 10 and later to 20 per cent, and the minimum price of domestic wheat was pegged at 85 francs per 100 kilograms (about 20 cents per bushel above prevailing world prices).

#### IMPORT LICENCE SYSTEM

In July, 1933, this system, having been found unsatisfactory, was abandoned and replaced by a system of import licences and taxes, the intention being to replace the protection previously afforded by a subsidy to producers paid out of the proceeds from the import licence tax. Under this new system millers were no longer required to use a fixed minimum of domestic wheat, but an agreement was nevertheless entered into between the Government and the millers whereby the latter guaranteed to consume the domestic crop every year. The quantity of domestic wheat to be used by each miller is now fixed by the Millers' Association and depends on the quantity and nature of the flour produced in the various mills.

The import licence system is not calculated to reduce the volume of total imports but merely to ensure the payment of a licence tax. It is also used as a bargaining instrument against foreign countries, especially in the matter of exchange or clearing agreements, by reducing or increasing the amount of wheat for which licences are granted for import from the countries concerned. Licences are granted to anyone and for unlimited quantities, and importers may purchase the wheat in the country of their choice except in cases where for a special reason imports from certain countries may be temporarily restricted. Such is the case for France, as the export price of French wheat is lower than the domestic price, which, in the opinion of the Belgian authorities, constitutes a case of dumping.

The rate of the import licence tax was set at 10 francs per 100 kilograms (about 9 cents per bushel at present rate of exchange) and was collected from July, 1933, to March 31, 1935, at which date it was cancelled due to an increase in the price of wheat. It was applied again on August 18, 1935, and remained in force until February 27, 1937, when its application was again suspended. The proceeds from this tax were used to pay a bounty to wheat growers, the amount of which was fixed each year, depending on the size of the crop and the level of prices. The bounty was previously paid on the basis of the amount of wheat produced, but for the 1935 crop, the last one on which a bounty was paid, the

<sup>1</sup> The first of this series of reports, on the United Kingdom, was published in *Commercial Intelligence Journal* No. 1748 (July 31, 1937).

rate was set at 200 Belgian francs per hectare (\$2.60 per acre) grown in wheat. No bounty was paid on the 1936 crop, and it is not expected that anything will be paid on this year's crop.

In addition to the above special tax, all imported wheat is subject to a regular sales tax of 2.5 per cent of the c.i.f. price. There is no customs duty and no special requirements in respect to documents.

### WHEAT FLOUR

The Belgian milling industry is well protected. The importation into Belgium of wheat flour for bread-making is prohibited; only small quantities to be used for special purposes are permitted entry under licence. Import quotas are granted only for importation from France, Canada, and the United States. France's quota is equal to 20 metric tons per month and imported French flour may be used only for the manufacture of certain biscuits for re-export. The quota allotted to Canada and the United States, the two countries being combined for the purpose of the quota, amounts to 50 metric tons monthly, and flour imported from these countries may be used only for the manufacture of "biscottes" (a variety of toasted bread) or for resale to ships' stores.

An import licence tax amounting to 14 francs per 100 kilograms (roughly 22 cents per 100 pounds) was collected until July 4, 1937, but was cancelled on that date until further notice.

The duty on flour is 4.60 francs per 100 kilograms (about 7 cents per 100 pounds).

There is a sales tax on imported wheat flour amounting to 2.5 per cent of the duty-paid value for flour packed in barrels or sacks, and 5 per cent for flour packaged for retail sale.

Licences for the importation of wheat flour for animal feed are granted freely to any importer and for unlimited quantities, importers being at liberty to purchase such flour wherever they wish. No licence tax is collected but the rate of duty is the same as for ordinary flour. The sales tax amounts to 2.5 per cent of the duty-paid value. The Government, of course, requires proof that the wheat is actually used for the purpose stipulated.

## NORWEGIAN FOX-FARMING INDUSTRY

RICHARD GREW, CANADIAN TRADE COMMISSIONER

Oslo, July 23, 1937.—Norway is now one of the leading producers of silver fox, both from a qualitative as well as quantitative point of view. For the most part, the fox farms in Norway are comparatively small, and 73 per cent of the farms have 25 animals or less. As a rule, fox farming is carried on as a sideline of ordinary agricultural pursuits, and it is estimated that two-thirds of the farms raising foxes have the growing of crops as their principal form of income.

### DEVELOPMENT OF FUR FARMING

Since 1929 the development of fox farming has made rapid progress. In that year there were 2,500 farms on which fur-bearing animals were raised, with approximately 30,000 silver fox, 3,500 other kinds of fox, and a small number of marten, mink, etc. The next census was taken in the summer of 1934, when the number of farms had increased to 10,000 with 214,000 silver fox, 13,000 other kinds of fox, as well as about 6,000 other kinds of fur-bearing animals. The last census reveals that at present there are 16,850 farms producing fur-bearing animals, and the silver foxes now number 390,000. Other kinds of foxes are estimated at 12,000, and the remaining fur-bearing animals number 7,780, of which 6,700 are mink. The number of cubs produced in 1929 was 12,600, which



was increased to 78,000 in 1934 and to 137,500 in 1936. In 1934 the number of pelts totalled 100,000 as compared to 155,000 in 1935 and 220,000 in 1936, which is an increase of more than 100 per cent over a two-year period.

The following table shows the total number of fur-bearing animals on farms during 1929, 1934 and 1936, as well as the percentage increase or decrease as compared to 1934:—

*Fur-bearing Animals on Norwegian Farms*

	Number of animals			Per Cent Inc. or Dec.
	1929	1934	1936	
Silver fox . . . . .	29,857	214,063	390,912	+82.6
Blue fox . . . . .	1,687	8,246	8,604	+ 4.3
White fox . . . . .	125	77	75	— 2.6
Crossed fox . . . . .	1,170	2,817	1,508	—46.5
Red fox . . . . .	550	1,756	1,559	—11.2
Platinum fox . . . . .	.....	.....	26	.....
Marten . . . . .	35	90	85	— 5.6
Mink . . . . .	308	4,177	6,716	+60.8
Fitchet . . . . .	.....	2,276	780	—65.7
Muskrat . . . . .	.....	453	162	—64.2

It will be noted from the above table that, with the exception of silver foxes, which have shown a large increase, and blue foxes and mink, the number of all the other kinds of animals has declined.

The cost of feeding is estimated to amount to kroner 15,000,000 during 1936, and consisted of 42,000 tons of feedstuffs, of which 20,000 tons was meat, 10,000 tons fish, and 6,000 tons milk.

EXPORTS OF FOX SKINS

The fur farming industry is almost entirely dependent on export trade, and in spite of several adverse factors during 1936, such as the inability of several European countries to purchase on account of lack of foreign exchange, as well as the considerable increase in production, all of which gave rise to fears that prices would be depressed, the average price per skin was slightly better than a year ago.

The following table shows the number of fox skins exported from Norway, together with countries of destination for the year 1936. Statistics for previous years do not indicate the number of skins exported.

	Number		Number
Belgium . . . . .	7,261	Switzerland . . . . .	1,909
Denmark . . . . .	3,004	Sweden . . . . .	3,076
France . . . . .	33,453	Czechoslovakia . . . . .	7,035
Netherlands . . . . .	1,644	Germany . . . . .	20,604
Poland . . . . .	3,173	Austria . . . . .	2,897
Spain . . . . .	1,177	United States . . . . .	3,049
Portugal . . . . .	148	Argentina . . . . .	1,822
Great Britain and Northern Ireland	109,948	Other countries . . . . .	843

Unfortunately, the values of exports to each country are not available, but the following table shows the number and value of different kinds of skins exported to all countries.

Kinds of Skin	1936	
	Number	Kroner
Marten . . . . .	133	11,685
Otter . . . . .	911	27,549
Beaver . . . . .	53	937
Red fox . . . . .	8,287	391,590
Crossed fox . . . . .	195	16,437
Silver fox . . . . .	185,821	28,318,248
White fox . . . . .	995	69,284
Blue fox . . . . .	5,940	531,932
Mink . . . . .	2,398	64,273
Squirrel . . . . .	413,236	339,236
Ermine . . . . .	22,394	65,512
Fitchet . . . . .	417	4,950

## SALES TO CANADA

It will be noted that Canada is not mentioned as one of the countries of purchase, but an examination of export documents covering shipments from Norway in 1936 discloses that silver fox skins to the value of about kroner 75,000 were exported to Canada during that year.

**CO-OPERATIVE FARM PURCHASING ASSOCIATIONS IN THE UNITED STATES**

G. A. NEWMAN, ASSISTANT TRADE COMMISSIONER

New York, July 15, 1937.—Through co-operative associations, agriculturists in the United States are being enabled gradually to adopt some of the methods hitherto utilized to advantage in other industries.

Prior to the appearance of co-operative purchasing associations, farmers were placed in the position of purchasing at retail prices those materials which contributed to the supply of products ultimately sold at producer's or manufacturer's costs. Thirty-one per cent of the average farm cash income in the United States in 1926-33 was devoted to the purchase of such requirements, yielding an average purchase volume for these years of \$2,474,000,000. A division of this amount revealed that it consisted of expenditures for current supplies of feed, seed, and fertilizer, \$913,000,000; containers, spray materials, and twine, \$126,000,000; unclassified expenditure, \$227,000,000; cost of operating trucks, \$429,000,000. Capital expenditures, which were also included, consisted of \$326,000,000 for machinery, tractors, and repairs; \$227,000,000 for automobiles and trucks, and \$210,000,000 for farm repairs.

Compared to the enormous annual expenditure of \$2,474,000,000, the \$254,000,000 spent in 1935-36 for agricultural supplies through co-operative wholesale and retail channels is a moderate sum. However, it reflects a substantial growth in co-operative organization during the past seventy years, and especially the last twenty or thirty years.

In 1919 about 330,000 farmers, or 5.1 per cent of those listed in the census for that year, purchased co-operatively supplies to the value of about \$84,600,000. In 1929 the percentage had risen to 6.5 and the amount expended to \$125,000,000, and in 1935-36 approximately 950,000 farmers spent \$254,000,000 in co-operative purchases.

## PRINCIPAL CO-OPERATIVE MARKETING STATES

As in the case of co-operative marketing associations, the membership and business transacted has been centralized in the Atlantic and North Central States of New York, Minnesota, Wisconsin, Iowa, Illinois, Indiana, Missouri, Nebraska, Massachusetts, and Ohio, which were responsible for over 65 per cent of the total estimated business of the United States co-operative purchasing associations.

Feeds and fertilizers constituted the major items of co-operative purchase in the New England and Middle Atlantic States; feeds and fuel in the North Central States; fertilizers and seeds and containers in the South Atlantic States; and fruit crates, spray materials, and similar supplies for fruit growers in the Pacific Coast States.

## TYPES OF ORGANIZATION

Co-operative purchase of farm supplies has been encouraged through three distinct types of organization: (1) associations sponsored by general farm organizations such as the "Farmers Union," the "Farmers Equity Union," and



the "Farm Bureau"; (2) large-scale or centralized co-operative purchasing associations; and (3) subsidiary or allied associations of co-operative marketing associations.

Efforts to develop co-operative purchasing associations through general farm organizations took place as early as 1870, when the "Grange," a social and farm fraternal society, introduced co-operative purchasing as a means of alleviating widespread distress among the farming communities at that time.

More recently, the Farmers Educative and Co-operative Union of America, or the "Farmers Union," as it is more commonly known, has been responsible for the development of a number of successful purchasing associations exemplified in the Farmers Union State Exchange established in Nebraska, which in 1936 had a business turnover of \$2,771,714.

In Illinois, Indiana, Ohio, and Michigan the state farm bureaus have sponsored such co-operative associations as the Farm Bureau Co-operative Association Inc., Columbus, Ohio, which in 1935 disposed of products to the value of \$4,751,893, and the Indiana Farm Bureau Co-operative Association Inc., which sold \$5,349,275 worth of products in 1936.

#### INDEPENDENT PURCHASING ASSOCIATIONS

Two of the most important associations of independent type developed to date are the Co-operative Grange League Federation Exchange Inc., or more briefly, the G.L.F., and the Eastern State Farmers Exchange, Springfield, Mass. Both have very large direct memberships; the former, centring in the State of New York, Northern Pennsylvania, and New Jersey, has 77,729 patrons, and the latter, centring in Massachusetts, some 73,000 customers.

Associations of this strength permit specialized activities. The G.L.F. is, in fact, now largely a voting organization controlling the shares of a holding company which in turn controls a number of specialized co-operative associations. With the declared policy of giving the farmer what he requires and offering only the best quality commensurate with price, with published formulas and well-timed and illustrated advertisements, the G.L.F. has built up a tremendous organization, which in 1935-36 listed a wholesale turnover of \$25,283,388. In keeping with the usual tendency of these large-scale co-operative purchasing organizations, it has secured control of feed mills, fertilizer plants, and a number of other plants which contribute to the products required by its members. It has also co-operated with certain of the other large wholesale co-operative purchasing associations for the purpose of controlling producing facilities, this being another common feature of large-scale co-operative activity.

#### CO-OPERATIVE OIL-PURCHASING ASSOCIATIONS

The mechanization of the farming industry with the increased use of petroleum products has given rise to the National Co-operatives Inc., Chicago, Ill. This joint bargaining agency was formed in 1933 by wholesale purchasing co-operatives interested in the distribution of petroleum products. They served 800 local and county co-operatives and, in 1934, their bargaining agency had a turnover of \$19,202,390.

#### CO-OPERATIVE PURCHASES BY MARKETING ASSOCIATIONS

Reports from 2,360 associations engaged primarily in the marketing of farm products revealed that purchases were made for members and patrons in the 1935-36 season to the value of \$68,431,000. Examples of associations of this type are to be seen in the Land o' Lakes Creameries, of Minneapolis, Minn.,

and the Fruit Growers Supply Company, which in 1936 provided the members of the California Fruit Growers Exchange with supplies to the value of \$9,549,167.

### LOCAL ASSOCIATIONS

There have been many types of local purchasing associations formed in the United States from an assemblage of consumers securing their supplies in bulk through the services of a voluntary purchasing committee to a completely incorporated association with warehouses and other facilities, financed by the sale of common stock, preferred stock, or membership fees. Local associations have tended to become linked into federations for the support of a wholesale co-operative association.

### PRINCIPLES OF CO-OPERATION

No matter what form the various purchasing associations may assume, most of them observe the Rochdale principles of co-operative purchasing. These in brief consist of (a) sales at prevailing local prices; (b) fixed interest rate on capital investment; (c) distribution of savings in proportion to purchases; (d) no credit; (e) one member, one vote; (f) regular and frequent meetings of the organization to discuss policy and practices; (g) accounts audited regularly and audit reports issued to members. These principles in one form or another are recognized in the statutes relating to co-operative organization in nearly every state in the country.

### FINANCIAL POLICIES AND PRACTICES

Incorporated purchasing associations frequently have made it obligatory for their members to purchase each one share or more of association stock. A portion of the share is commonly paid from returns received from the respective member's patronage dividends from savings.

Operating capital has been obtained frequently by the issuing of capital stock or certificates of equity, ultimately redeemable from a revolving fund. Thus a sum amounting to 1 or 2 per cent of the sales of the association has been deducted from each member's purchases and applied to the cost of shares. At the end of each fiscal year the respective members were issued shares of stock or certificates of equity to the amount of the accumulated deductions. After sufficient stock had been obtained, the oldest outstanding stock had been redeemed. Such operations for a large association required from five to seven years before the initial stock was redeemed; other associations with smaller capital requirements have taken shorter periods.

In addition to accumulating a strong working capital, most successful associations have taken the precaution of establishing a strong reserve fund which is unredeemable by the members, but which permits much wider scope for the association's credit operations.

Most associations endeavour to confine their sales to a strictly cash basis. In 1934, 361 associations of some 779 co-operatives examined charged the prevailing market prices for their merchandise, 131 worked on the basis of cost plus handling charges, and 278 employed a combination of these methods. Where the products were purchased at prevailing prices, the difference between the selling price and the actual cost, plus expenses, was returned to the individual members in proportion to their contribution to the purchasing.



## ECONOMIC CONDITIONS IN COLOMBIA

R. A. CAMERON, ASSISTANT TRADE COMMISSIONER

(One Colombian peso equals approximately 57 cents United States currency;  
one kilo equals 2·2 pounds)

Panama City, July 23, 1937.—The year 1936 began optimistically for Colombia with coffee prices rising and demand in world markets apparently sustained. Banks reported favourably on their operations and almost every phase of business seemed prosperous. During the summer, however, coffee prices fell and the demand in world markets was indifferent. Field crops were damaged by a long dry summer, and the cost of living rose accordingly. Toward the end of the year conditions improved as a result of the rise in world coffee prices and the success in its initial operations of the International Coffee Conference, held in Bogota in October for the purpose of formulating a market policy and stabilizing the coffee industry. Despite the summer slump therefore the year ended favourably with coffee prices satisfactory, the domestic political situation clear, the budget balanced, and the volume of foreign trade increasing.

### FINANCES

National revenues for the calendar year 1936 amounted to 70,426,000 pesos as compared with 62,490,000 pesos in 1935, an increase of 7,946,000 pesos. Total expenditures for the year amounted to 68,101,000 pesos as compared with 61,092,000 pesos in 1935.

The national debt of Colombia at December 31, 1936, amounted to 178,867,810 pesos as compared with 184,590,200 pesos at December 31, 1935, but the Government was unable to resume foreign debt service. Heretofore Colombia has depended largely on customs duties for revenues, but the new forms of direct taxation introduced in 1935 have shown favourable results, and the improved situation eventually may justify renewal of service on the foreign debt.

In addition to the national debt, there are still outstanding departmental debts amounting to U.S.\$59,989,000, municipal debts amounting to U.S.\$22,149,000, and bank debts amounting to U.S.\$22,857,500 and £2,892,000.

### EXCHANGE

The year opened with the United States dollar at 1·75½ pesos. The peso appreciated slightly, but in May the Bank of the Republic fixed the selling rate of 1·75¾, where it stayed for the remainder of the year. The buying rate was fixed at 1·73 and later raised to 1·74¼.

In mid-year a decree was issued requiring importers to submit their orders for foreign merchandise to the Exchange Control Board for the purpose of obtaining an import licence, without which no exchange would be authorized. At first it was felt that this might be the first step in a policy of drastic restriction of imports. Such has not been the case, however, although by this regulation the board has been given the machinery with which to limit imports from any particular country. While this and other steps taken by the Government gave it a greater control over foreign exchange, particularly over the direction of Colombian trade and the channels through which it passes, on the whole, during the year exchange control regulations seem to have been relaxed in their actual application.

### COMMERCIAL BANKS

Bank clearings for the year totalled 755,401,000 pesos as compared with 669,912,000 pesos in 1935, an increase of 12·8 per cent. Savings accounts

totalled 13,492,000 pesos in December, 1936, as compared with 11,410,000 pesos in December, 1935. The number of protested bills and cheques increased to 136 in 1936 from 116 in 1935, but the total amount of the protests in 1936 was only 127,637 pesos as compared with 277,782 pesos in 1935. Late in the year deposits fell off, largely due to tax payments being made to the Government and to the requirements of the coffee harvest, which created a seasonal demand for funds.

#### EXTERNAL TRADE

During 1936 there was a considerable increase in the volume and value of Colombia's foreign trade. Imports totalled 370,211,000 kilos (120,132,000 pesos) as compared with 270,401,000 kilos (106,854,000 pesos) in 1935. Exports in 1936 amounted to 2,772,810,000 kilos (136,844,000 pesos) as compared with 2,676,968,000 kilos (123,601,000 pesos).

There was therefore a surplus in the balance of trade of 16,712,000 pesos in 1936 as compared with 16,747,000 pesos in 1935. Unfortunately, this surplus in Colombia's commercial or trade balance does not reflect accurately her position in so far as the balance of payments is concerned. Several factors must be considered in distinguishing the two. The import figures quoted are the f.o.b. values of the imports. To this should be added 12 per cent to cover such additional costs as insurance, freight, and interest, the increased figure being the actual payment made. As for payments received, it should be noted that a large part of the currency paid for exports of petroleum, bananas, and platinum is retained abroad. When these factors are taken into consideration Colombia's favourable trade balance for 1936 of 16,712,000 pesos becomes an unfavourable balance of approximately 7,813,000 pesos and would be even more unfavourable were it not for gold shipments, valued at 20,788,000 pesos, made by the Bank of the Republic to the United States.

The following table is a comparison of the trade of Colombia for 1935 and 1936, showing the values of the imports from and exports to various countries:—

	Imports from		Exports to	
	1935	1936	1935	1936
	1,000 Pesos	1,000 Pesos	1,000 Pesos	1,000 Pesos
United States:				
(a) commerce . . . . .	44.429	49.585	74.703	74.320
(b) gold . . . . .			19.186	20.788
			93.899	95.108
Germany . . . . .	20.007	26.772	14.704	22.679
United Kingdom . . . . .	17.879	22.599	2.025	2.353
France . . . . .	4.243	3.770	7.821	6.254
Holland . . . . .	1.542	2.402	2.841	2.623
Belgium . . . . .	1.419	1.781	982	1,217
Venezuela . . . . .	1.076	1,333	88	224
Czechoslovakia . . . . .	864	1,178	28	8
Sweden . . . . .	791	1,052	447	651
Spain . . . . .	1,278	861	644	621
Canada . . . . .	575	772	7,225	8,023
Switzerland . . . . .	545	739	122	2
Siam . . . . .	312	679	.....	.....
British West Indies . . . . .	393	642	8	7
Dutch West Indies . . . . .	313	599	9,773	15,106
Italy . . . . .	2,650	483	1,441	954
Total . . . . .	106,854	120,132	142,789	157,632

NOTE.—The gold shown in the above table as being exported to the United States is not included in the value of total exports given at the beginning of this section as being 136,844,000 pesos.

#### EXPORTS

Colombia's principal exports are coffee, petroleum, gold, bananas, hides, and platinum. Coffee accounts for most of the increase in the total value of exports during 1936. The following comparative table shows the weight and value of commodities exported in 1935 and 1936:—



	1935		1936	
	1,000 Kg.	1,000 Pesos	1,000 Kg.	1,000 Pesos
Coffee. . . . .	226,134	79,222	236,531	91,968
Petroleum . . . . .	2,278,647	29,099	2,356,390	28,269
Gold bars . . . . .	12	19,186	13	20,788
Bananas . . . . .	155,541	8,939	159,684	8,207
Hides . . . . .	6,869	2,681	7,683	3,499
Platinum. . . . .	2	2,088	1	3,184

The United States is Colombia's best customer, having purchased merchandise valued at 74,320,000 pesos during 1936 in addition to gold valued at 20,788,000 pesos. Coffee was the principal commodity exported to the United States, amounting in value to approximately 80 per cent of the total. Exports of petroleum amounted to about 10 per cent, bananas 5 per cent, while platinum, hides and skins made up the balance of United States purchases. Colombia's next best customer during 1936 was Germany, purchasing Colombian products valued at 22,679,000 pesos. Coffee accounted for 85 per cent of this total.

Approximately 85 per cent of Colombia's exports to Canada during 1936 consisted of petroleum and approximately 15 per cent of coffee.

#### IMPORTS

The following comparative table shows the weight and value of the principal commodities imported by Colombia during the calendar years 1935 and 1936:—

	1935		1936	
	1,000 Kg.	1,000 Pesos	1,000 Kg.	1,000 Pesos
Dyed cotton cloth. . . . .	2,682	5,938	2,577	6,185
Printed cotton cloth . . . . .	1,716	3,493	1,757	4,057
Motor cars . . . . .	3,079	2,483	3,889	3,129
Woollen cloth. . . . .	574	3,164	544	2,942
Cotton drills . . . . .	1,889	3,154	1,371	2,416
Iron and steel tubes (over 5 cm. diameter) . . . . .	7,102	1,334	12,908	1,862
Iron and steel sheets. . . . .	12,517	1,370	16,463	1,711
Motor trucks . . . . .	2,052	1,365	2,798	1,696
Cotton thread . . . . .	444	1,398	531	1,653
Rubber tires . . . . .	1,068	1,273	1,340	1,604
Copra . . . . .	7,651	893	10,346	1,495
"Bogotanas" . . . . .	694	1,051	805	1,398
Raw cotton . . . . .	3,646	1,937	2,521	1,342
Fine sugar . . . . .	8,174	527	21,340	1,234
Cacao. . . . .	2,313	372	4,188	1,138
Paraffin . . . . .	5,295	847	7,461	1,133
Iron and steel bars and ingots. . . . .	12,024	940	15,682	1,126
Wheat . . . . .	13,150	889	16,054	1,106
Cattle . . . . .	4,128	666	8,267	1,101
Radio-electric apparatus. . . . .	605	1,914	397	1,060
Cotton hosiery. . . . .	212	1,398	129	1,023

NOTE.—The number of motor car units imported was 2,041 in 1935 and 2,703 in 1936. Motor trucks imported totalled 1,072 units in 1935 and 1,468 units in 1936.

Approximately one-third of Colombia's imports from Canada during 1936 were wheat, the remainder being manufactured goods such as automobile tires, newsprint and other papers.

Of total imports from the United States during 1936 over 10 per cent were motor cars, trucks, spare parts, and aircraft. Natural and manufactured alimentary products amounted to nearly as much again, while textile goods, raw cotton, radio apparatus, iron and steel sheets, bars, and tubing, and machinery of all kinds contributed largely to the balance.

#### AGRICULTURE

A determined effort was made to widen the scope of Colombia's agricultural activities. Coffee and bananas continue to be the leading export crops, but the production of cotton, rice, sugar, and wheat for home consumption is becoming an important factor in the economic life of the republic. Production figures are not available for 1935 or 1936.

## COFFEE

One of the most important events of the year was the Coffee Conference held in Bogota, which was attended by delegates from nine coffee-growing countries, representing approximately 80 per cent of the world coffee production. The purpose of the conference was to improve coffee marketing methods, and if possible to raise gradually the level of prices to a sufficiently remunerative point. To this end an office has been opened in New York for the purpose of representing the interests of the Pan-American coffee growers. Following the conference, the National Federation of Coffee Growers of Colombia announced that it would purchase coffee up to any amount for delivery up to the end of the year at a price of 4.45 pesos per arroba (approximately 25 pounds) for Medellin Excelso, with others in proportion. For this purchase a loan of 500,000 pesos was authorized by the Bank of the Republic.

As the federation pays the planter only 25 per cent of the purchase price in cash, using warrants discountable at the Bank of the Republic in payment of the balance, this loan enabled it, if necessary, to control coffee up to a value of 2,000,000 pesos. The fact that the federation had taken a position in the market served the purpose of stabilizing prices without the necessity of actually making large purchases. It is said that a price of 16 cents per pound on the New York market for Medellin Excelso, with other prices in conformity, has been set as the objective of the Coffee Conference.

## SUGAR

The sale and distribution of sugar in Colombia in the past has been controlled by the Sociedad Seccional de Credito Azucarero, which was established by the Government for the purpose of guaranteeing a steady price, and therefore encouraging domestic production. A wholesale price of 0.07 peso per pound has been maintained by the Sociedad. Domestic production amounts to approximately 700,000 bags of 50 kilos each per annum; consumption amounts to more than 1,000,000 bags per year. It is usually necessary therefore to import from 300,000 to 400,000 bags annually. In order to maintain the price of 0.07 peso per pound importations are supervised by the Government. The official functions of the Sociedad ended in 1936, but it is expected that the system of marketing will be continued.

## CATTLE

The number of cattle in Colombia is believed to be approximately 8,000,000 head, and natural conditions favour a healthy and remunerative cattle industry. Production is not sufficient to satisfy the domestic demand, and during 1936 approximately 34,000 head of cattle were imported from Venezuela. On the whole, the industry enjoyed a satisfactory year, prices being relatively high.

## COTTON

The expanding textile industry in Colombia has given substantial encouragement to the growing of cotton, but domestic production supplies little more than a third of the demand. The bulk of the production comes from the Atlantic Coast districts. As in other branches of agriculture, governmental assistance is being given to the growers of cotton by financing their operations and affording technical advice.

## BANANAS

Bananas are Colombia's second largest agricultural export product, exports for 1936 being valued at over 8,200,000 pesos. In the past the growing and



exporting of bananas has been in the hands of one large private company which has controlled the price paid to the growers. This company, at one time the largest producer, has gradually relinquished ownership of its plantations but has maintained its price control through its monopoly of exports and by providing credit to the growers on long-term lien contracts against their crops. Recently the co-operative activity of the growers has resulted in legislation, the object of which has been to transfer the control of credit from the company to the Agricultural Credit Bank. Future contracts between planter and exporter have also been limited to two years and cases of dispute regarding the acceptance of fruit are to be settled by arbitration. Thus long-time contracts which in the past deprived the owner of any benefits which might result from improvement in world conditions are done away with, while arbitration as to the acceptance of the crop affords the grower some protection against the danger of having his fruit left on his hands at the convenience of the company.

### MINING

Mineral production during 1936 increased. The 1936 gold production amounted to 388,739 ounces (23,841,282 pesos) as compared with the 1935 production of 328,991 ounces (20,467,915 pesos). Platinum production in 1936 amounted to 38,334 ounces (3,172,403 pesos) as compared with 38,628 ounces (1,960,848 pesos) in 1935. The increased value for the 1936 production was due to the rise in the price during the year. Silver production in 1936 amounted to 151,501 ounces (118,893 pesos) as compared with the 1935 production of 132,965 ounces (152,514 pesos). The production of petroleum during 1936 increased slightly, amounting to 18,751,964 barrels (of 42 United States gallons) valued at 28,261,000 pesos as compared with the 1935 production of 17,594,867 barrels valued at 28,116,000 pesos. The 1936 salt production was valued at 3,104,847 pesos, which was a slight reduction from the 1935 production value of 3,314,525 pesos.

## FOREIGN TRADE OF THE REPUBLIC OF HONDURAS

S. G. MACDONALD, ACTING TRADE COMMISSIONER

Mexico City, July 27, 1937.—Recent official statistics respecting the foreign trade of Honduras for the fiscal year ended July 31, 1936, indicate a fall in the value of both exports and imports over the previous fiscal year. The total trade for the year 1935-36 amounted to \$17,938,341 as compared with \$20,094,067 for the year 1934-35. Imports fell from \$9,585,717 to \$8,723,130, and exports from \$10,508,348 to \$9,215,211.

### IMPORTS

Manufactured products valued at \$5,607,163 composed the principal main classification of imports for the year 1935-36. Other classifications, in order of importance, were: raw materials, \$1,426,275; foodstuffs, \$1,176,852; gold, silver, and coin, \$510,000; and livestock, \$2,835.

As usual, the United States was the principal foreign supplier of Honduras with goods valued at \$5,796,217 or some 66.4 per cent of the total imports. In 1934-35 imports from the United States were valued at \$6,189,064, and represented 64.6 per cent of the total. Imports from the other principal supplying countries for the last two fiscal years were as follows, figures within parentheses representing imports for 1934-35: Japan, \$666,751 (\$1,014,235); Germany, \$545,338 (\$325,068); Curacao, \$499,996 (\$530,054); United Kingdom \$309,548 (\$605,459); Nicaragua, \$145,831 (\$137,471); El Salvador, \$117,164 (\$102,456); Netherlands, \$73,656 (\$80,523); Italy, \$22,665 (\$88,902).

Available statistics do not indicate imports from Canada, due to the fact that Canada is included among "other countries" from which total purchases amounted to \$545,964. For the fiscal year 1934-35 Canada was credited with sales amounting to \$26,004 and was listed fifteenth of the supplying countries in order of importance. A marked drop in imports from Great Britain and an equally important increase from Germany is noted from a comparison of the above figures. These changes are due, partly at least, to the increased German competitive power resulting from the use of the "Aski" or compensation marks.

### EXPORTS

From 1923 to 1930 exports from Honduras showed a marked annual advance, but since the latter year there has been a diminishing annual total. This trend was particularly noticeable during the last four years, during which a regular annual decrease of about \$1,500,000 was recorded. This yearly reduction is attributable to the increased production of bananas, the chief export commodity of the republic. The banana industry is largely controlled by United States interests, and the United States provides the principal foreign market for bananas.

Exports to the United States during the fiscal year 1935-36 were valued at \$7,519,073, being 81.59 per cent of the total exports. In the previous fiscal year exports to the United States were \$8,708,033, or 82.8 per cent of the total. The following are the export values by other principal countries for the fiscal years 1935-36 and 1934-35, figures for the latter year being within parentheses: Netherlands, \$529,223 (\$911,960); United Kingdom, \$525,461 (\$126,543); El Salvador, \$196,979 (\$352,258); Germany, \$196,619 (\$229,498).

### TRADE WITH CANADA

Honduran statistics do not show the trade with Canada for the fiscal year ended June 30, 1936, but a comparison between the calendar years 1935 and 1936 is possible from figures compiled by the Dominion Bureau of Statistics. These show that imports into Canada amounted to \$82,606 in 1935, but fell to \$41,008 in the following year. Citrus fruit composed almost the entire import from Honduras in the respective years. The total was divided between grapefruit valued at \$66,678 in 1935 and \$35,197 in 1936 and oranges valued at \$15,169 and \$5,206 in the same years.

Canadian exports to Honduras consist of some forty odd commodities valued at \$95,748 in 1934, \$126,030 in 1935, and \$128,955 in 1936. In order of importance, in 1936 the following commodities were listed (figures within parentheses indicate the exports in 1935): soda and sodium compounds, \$70,093 (\$48,755); pneumatic tire casings, \$27,980 (\$16,393); wheat, \$10,853 (nil); wheat flour, \$3,856 (\$17,040); newsprint, \$3,192 (\$1,849); cyanamid, \$2,308 (\$31,161); inner tubes, \$2,041 (\$2,254); Douglas fir, planks and boards, \$1,579 (nil); cotton duck, \$1,444 (\$3,926); inorganic chemicals, n.o.p., \$1,022 (\$1,001).

The market of Honduras is of the "country store" type and consequently can never be a large one for Canadian exporters, particularly as the large fruit companies maintain establishments in Northern Honduras where everything necessary for that area can be purchased, most of which goods are bought through the New York or New Orleans offices and, where possible, in the United States. Difficulties other than high costs of transportation tend to curtail shipments to the Tegucigalpa area, which is much more lacking in buying power than the northern area where bananas are produced.



**TARIFF CHANGES AND CUSTOMS REGULATIONS****United States****CATTLE QUOTA**

The Treasury Department at Washington announces that up to August 9, 1937, 93.5 per cent of the 1937 quota of cattle weighing 700 pounds or more each, and not specially provided for, which are to be admitted into the United States at reduced duty under the Canada-United States trade agreement had been imported. This represents 145,670 head, of which 121,451 are shown as coming from Canada and 24,219 from Mexico. The total quota to be reached amounts to 155,799 head.

In consequence of the imports that have so far been made, the Commissioner of Customs at Washington announced that, "effective August 12, 1937, the full rate of duty (3 cents per pound) under paragraph 701 of the Tariff Act of 1930 will be collected on importations of cattle weighing 700 pounds or more each and not specially provided for, under the quota provisions of the Canadian trade agreement. Upon determination of the particular importations of this class of cattle which come within the quota limitation, the Collectors of Customs will be authorized to make refund of duties deposited in excess of the reduced rate (2 cents per pound) provided for under Schedule II of the trade agreement."

**Japan****TARIFF CHANGES**

Cabled advice from the Canadian Legation, Tokyo, states that the Japanese tariff on newsprint has been abolished with effect from August 11. The rate on newsprint, Tariff Item No. 362(a), was formerly 1 yen per 100 kin (22 cents per 100 pounds).

In addition the surtax of 35 per cent ad valorem (imposed by Law No. 4 of June 16, 1932) is being abolished, effective October 1, on the following goods:—

Item No.	Old Duty	New Duty	Equivalent of New Rate
361 Pulp:			
(1) Mechanical pulp . . . . . per 100 kin	0.29 yen	0.22 yen	4¾c. per 100 lbs.
(2) Other . . . . . per 100 kin	0.36 yen	0.27 yen	6c. per 100 lbs.
362 (2) B (b) Printing paper, other, weighing more than 58 grams per sq. metre . . . . . per 100 kin	2.97 yen	2.20 yen	50c. per 100 lbs.
367 Packing paper and match paper, excluding tissue paper . . . . . per 100 kin	3.24 yen	2.40 yen	52c. per 100 lbs.
465 Lead:			
1 Ingots and slabs . . . . . per 100 kin	0.54 yen	0.40 yen	8¾c. per 100 lbs.
5 Tubes . . . . . per 100 kin	3.30 yen	2.45 yen	56c. per 100 lbs.
467 Zinc:			
1 Ingots, slabs and grains . . . . . per 100 kin	4.05 yen	3.00 yen	65c. per 100 lbs.
2 B (b) Plates and sheets (exceeding 0.17 millimetres in thickness, not nicked) . . . . . per 100 kin	5.80 yen	4.30 yen	93½c. per 100 lbs.
4 Waste or old, fit only for manufacturing . . . . . per 100 kin	0.54 yen	0.40 yen	8¾c. per 100 lbs.

The surtax is also being abolished on copper (ingots and slabs, bars or rods, plates and sheets, wires, pipes and tubes, and waste), brass and bronze (ingots and slabs, bars or rods, plates and sheets, wires, pipes and tubes, foils

and waste), tin (ingots, slabs, and foils), specified sugars, caustic soda and caustic potash, cotton, woollen, and mixed yarns of cotton and wool, artificial silk (excluding acetate silk).

With effect from August 11, 1937, the duty on automobiles (Item 563) has been increased from 50 to 70 per cent ad valorem, and the rate on (Item 564) "parts of automobiles, excluding motive machinery," has been increased from 42 per cent ad valorem to 60 per cent ad valorem with certain exceptions subject to specific rates of duty. The rate on "internal combustion engines for automobiles" has been changed from 35 per cent ad valorem to 48 yen per 100 kin (\$10.45 per 100 pounds), and duties have been increased on parts of machinery for card clothing, axle bearings, and bearing balls. The Conventional Tariff of 70 per cent of the full duty on automobiles and 83.3 per cent on "parts of automobiles, excluding motive machinery," accorded to Canada and other countries enjoying most-favoured-nation treatment is applicable until January 11, 1938.

The classification of "mineral oils" (Item 112) has been changed and some rates revised upwards, with effect from August 11. A new sub-item, "mineral oil produced from coal or shale," is made free of duty.

One yen equals 29 cents Canadian at prevailing exchange rates; 100 kin equals 132.3 pounds.

### Belgium

#### DUTY ON PRESERVED TOMATOES

Mr. Yves Lamontagne, Canadian Trade Commissioner at Brussels, writes under date August 5 that a Belgian royal decree, dated July 29 and effective as from August 6, increases the rate of duty on preserved tomatoes imported in containers exceeding 3 kilograms (6.6 pounds) in weight, from 41.40 francs to 80 francs per 100 kilograms, the weight of the container being included.

### Netherlands India

#### IMPORT DUTY EXEMPTIONS

Mr. K. F. Noble, Acting Trade Commissioner at Singapore, forwards a translation of Netherlands Indies Staatsblad No. 417 of 1937, which exempts from import duty, with effect from June 25, 1937, sodium acetate for the manufacture of paper, casein glue for the manufacture of 3-ply wood, and aluminium chloride for the manufacture of synthetic polishing oil.

## INFORMATION ON EXCHANGE RESTRICTIONS

During the period of unsettled exchange conditions in many countries, it has been the practice to publish in the *Commercial Intelligence Journal* from time to time fairly complete reviews of the principal features of the exchange situation in countries regarding which it is most important that Canadian exporters be adequately informed. Canadian Trade Commissioners resident in territories where exchange control is in force are under instruction to prepare reports for publication dealing with major alterations in the methods of control and with revisions of policy or of regulations that affect imports from Canada. Apart from these published reports, the Commercial Intelligence Service has on file unpublished data which will be freely furnished, on request, to Canadian firms desiring information with regard to exchange conditions in specified countries.



**FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING AUG. 16, 1937**

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, August 16, and for the week ending Monday, August 9, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Aug. 9	Nominal Quotations in Montreal Week ending Aug. 16	Official Bank Rate
Austria . . . . .	Schilling	.1407	\$ .1885	\$ .1887	3½
Belgium . . . . .	Belga	.1001	.1684	.1684	2
Bulgaria . . . . .	Lev	.0072	.0128	.0128	6
Czechoslovakia . . . . .	Krone	.0296	.0349	.0349	3
Denmark . . . . .	Krone	.2680	.2226	.2224	4
Finland . . . . .	Markka	.0252	.0220	.0220	4
France . . . . .	Franc	.0392	.0375	.0375	4
Germany . . . . .	Reichsmark	.2382	.4023	.4022	4
Great Britain . . . . .	Pound	4.8666	4.9870	4.9831	2
Greece . . . . .	Drachma	.0130	.0091	.0091	6
Holland . . . . .	Guilder	.4020	.5515	.5515	2
Hungary . . . . .	Pengo	.1749	.2955	.2956	4
Italy . . . . .	Lira	.0526	.0526	.0526	4½
Jugo-Slavia . . . . .	Dinar	.0176	.0231	.0231	5
Norway . . . . .	Krone	.2680	.2506	.2504	4
Poland . . . . .	Zloty	.1122	.1891	.1891	5
Portugal . . . . .	Escudo	.0442	.0451	.0451	4½
Roumania . . . . .	Leu	.0060	.0073	.0073	4½
Spain . . . . .	Peseta	.1930	.0533	.0673	5
Sweden . . . . .	Krona	.2680	.2571	.2569	2½
Switzerland . . . . .	Franc	.1930	.2297	.2297	1½
United States . . . . .	Dollar	1.0000	1.0000	1.0003	1½
Mexico . . . . .	Peso	.4985	.2775	.2776	4-5
Cuba . . . . .	Peso	1.0000	.9992	.9995	—
Guadeloupe . . . . .	Franc	.0392	.0375	.0375	—
Jamaica . . . . .	Pound	4.8666	4.9970	4.9931	—
Martinique . . . . .	Franc	.0392	.0375	.0375	—
Other British West Indies	Dollar	1.0138	1.0390	1.0381	—
Argentina . . . . .	Peso (Paper)	.4245	.3323	.3321	3½
		<b>Unofficial</b>	.3105	.3016	—
Brazil . . . . .	Milreis (Paper)	.1196	.0873	.0873	—
		<b>Unofficial</b>	.0667	.0659	—
British Guiana . . . . .	Dollar	1.0138	1.0390	1.0381	—
Chile . . . . .	Peso	.1217	.0517	.0517	4½-6
		<b>Unofficial</b>	.0417	.0417	—
Colombia . . . . .	Peso	.9733	.5699	.5701	4
Peru . . . . .	Sol	.2800	.2600	.2601	6
Venezuela . . . . .	Bolivar	.1930	.3137	.3138	—
Uruguay . . . . .	Peso	1.0342	.7928	.7922	—
South Africa . . . . .	Pound	4.8666	4.9808	4.9769	3½
Egypt . . . . .	Pound (100 Piastres)	4.9431	5.1100	5.1116	—
China (Shanghai) . . . . .	Dollar	.....	.2945	.2939	—
Hongkong . . . . .	Dollar	.....	.3078	.3083	—
India . . . . .	Ruppee	.3650	.3765	.3761	3
Japan . . . . .	Yen	.4985	.2905	.2903	2.92
Java . . . . .	Guilder	.4020	.5516	.5516	—
Siam . . . . .	Baht (Tical)	.4424	.4572	.4567	—
Straits Settlements . . . . .	Dollar	.5678	.5850	.5844	—
Australia . . . . .	Pound	4.8666	3.9896	3.9865	3
New Zealand . . . . .	Pound	4.8666	4.0218	4.0187	2
		<b>* Unofficial:</b>	.1977	.1978	—

The Dominion Bureau of Statistics has supplied the following note:—

Leading exchanges at New York moved within narrow limits in quiet trading during the week ended August 17. Early strength in sterling gave way later and this weakness was regarded as indicating a cessation of Japanese purchases of sterling. Spot francs were comparatively firm and the discounts on ninety-day rates narrowed irregularly. As London gold values declined, shipments to New York were resumed. The French franc at Montreal was quoted at 3.75 cents throughout the week. The pound sterling ranged between \$4.98 and \$4.99. New York funds advanced from par on the 12th to show a premium of 0.03 of 1 per cent on the following three days.

Canadian Trade Commissioners should be kept supplied with catalogues, price lists, discount rates, etc., and the names and addresses of trade representatives by Canadian exporters. Catalogue should state whether prices are at factory point, f.o.b. at port of shipment, or, which is preferable, c.i.f. at foreign port.

The Canadian Government Trade Commissioners at the present time are using Bentley's Second Phrase Code.

## TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

### Secretary, Board of Trade—

Saint John, N.B.	Chatham, Ont.	Portage la Prairie, Man.
Halifax, N.S.	Kitchener, Ont.	St. Boniface, Man.
Quebec, P.Q.	Stratford, Ont.	Winnipeg, Man.
Montreal, P.Q.	Woodstock, Ont.	Vancouver, B.C.
Toronto, Ont.	St. Mary's, Ont.	New Westminster, B.C.

### Secretary, Chamber of Commerce—

Sherbrooke, P.Q.	Belleville, Ont.	Hamilton, Ont.
Kingston, Ont.	Peterborough, Ont.	Victoria, B.C.
Oshawa, Ont.	London, Ont.	Prince Rupert, B.C.

Border Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

### Secretary, Canadian Manufacturers Association—

Toronto, Ont.	Winnipeg, Man.	Vancouver, B.C.
Montreal, P.Q.	Edmonton, Alta.	Victoria, B.C.

The Maritime Provinces Trade Commissioner, 122 Federal Building, Toronto, Ont.

The Bureau of Provincial Information, Victoria, B.C.

Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Foodstuffs—</b>			
Onions.....	565	Ciudad Trujillo, Dominican Republic.	Agency.
Fruit Juices—Prune, Apple, etc. (Sweetened and Unsweetened).	566	Auckland, New Zealand...	Agency.
Tomato Juice.....	567	Auckland, New Zealand...	Agency.
<b>Miscellaneous—</b>			
Rye and Bourbon Whisky.....	568	Tientsin, North China....	Purchase and/or Agency.
Broom Handle Squares of Birch or other Suitable Hardwood.	569	Dublin, Irish Free State...	Purchase.
Hoop Iron (Cold Rolled Annealed).	570	Birmingham, England....	Purchase and/or Agency.



## PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

### From Montreal

*To Liverpool.*—Duchess of Atholl, Aug. 27; Duchess of York, Sept. 3; Duchess of Richmond, Sept. 11; Duchess of Bedford, Sept. 17—all Canadian Pacific; Antonia, Aug. 27; Andania, Sept. 10—both Cunard-White Star Line; a steamer, Fjell Line, Aug. 23.

*To London.*—Beaverbrae, Aug. 27; Beaverburn, Sept. 3; Beaverhill, Sept. 10; Beaverford, Sept. 17—all Canadian Pacific; Ascania, Aug. 27; Aurania, Sept. 3; Alaunia, Sept. 10; Ausonia, Sept. 17—all Cunard-White Star Line.

*To Manchester.*—Manchester Commerce, Aug. 26; Manchester Brigade, Sept. 9; Manchester Citizen, Sept. 16; Manchester Port, Sept. 22—all Manchester Line; a steamer, Fjell Line, Aug. 23.

*To Southampton.*—Duchess of Richmond, Aug. 25; Montrose, Sept. 10—both Canadian Pacific.

*To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—Boston City, Aug. 30; New York City, Sept. 18—both Bristol City and Dominion Lines; Norwegian, Aug. 21; Dorelian, Sept. 9—both Cunard-Donaldson and Dominion Lines.

*To Glasgow.*—Delilian, Aug. 27; Letitia, Sept. 3; Sulairia, Sept. 10; Athenia, Sept. 17—all Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Cairnvalona, Aug. 25; Cairnesk, Sept. 1; Cairnglen, Sept. 8; Cairnmona (calls at Dundee), Sept. 22—all Cairn-Thomson Line.

*To Aberdeen and Hull.*—Gitano, Ellerman's Wilson Line, Sept. 3.

*To Dublin and Belfast.*—Melmore Head, Aug. 24; Torr Head (does not call at Belfast), Sept. 5; Fanad Head (does not call at Dublin), Sept. 15—all Head Line (cargo accepted for Cork).

*To Antwerp and Havre.*—Beaverburn, Sept. 3; Beaverhill, Sept. 10; Beaverford, Sept. 17—all Canadian Pacific (do not call at Havre); Brant County, Sept. 2; Flint II, Sept. 22—both County Line.

*To Rotterdam.*—Grey County, Aug. 23; Brant County, Sept. 2—both County Line.

*To Hamburg and Bremen.*—Beaverbrae (does not call at Bremen), Canadian Pacific, Aug. 27; Bochum, Hamburg-American Line, Sept. 17.

*To Copenhagen, Gothenburg and Baltic Ports.*—Ragnhildsholm, Aug. 25; Korsholm, Sept. 25—both Swedish-America-Mexico Line.

*To Norwegian Ports.*—A steamer, Fjell Line, Aug. 23.

*To Marseilles, Genoa, Naples, Messina, Palermo, Lisbon and Leghorn.*—Capo Olmo, Aug. 31; Capo Noli, Sept. 18—both Capo Line.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Magnhild, Aug. 24; Eikhaug (calls at Bay Roberts, Carbonear and Port Union but not at St. Pierre), Sept. 4—both Shaw SS. Co.; Belle Isle, Newfoundland-Canada SS. Co., Aug. 27.

*To Corner Brook, Nfld.*—New Northland, Aug. 30 and Sept. 13; North Voyageur, Sept. 5—both Clarke SS. Co.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Chomedy (calls at Guadeloupe and Martinique if sufficient cargo offered), Canadian National, Sept. 2.

*To Hamilton (Bermuda), Nassau (Bahamas), Kingston (Jamaica) and Belize (British Honduras).*—Cathart (does not call at Hamilton or Nassau), Aug. 27; Lady Rodney, Sept. 1; Cavalier (does not call at Hamilton or Nassau), Sept. 10; Lady Somers, Sept. 15—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer, Ocean Dominion SS. Corp., Aug. 27 and Sept. 15.

*To Brisbane, Sydney and Melbourne.*—City of Canberra (calls at Adelaide if sufficient inducement offers), Montreal-Australia-New Zealand Line, Aug. 28.

*To Auckland, Wellington, Lyttelton and Dunedin.*—A steamer, Montreal-Australia-New Zealand Line, September.

*To Sierra Leone, Walvis Bay, Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques and Beira.*—Mattawin, Aug. 25; Eboe (does not call at Sierra Leone, Walvis Bay, Lourenco Marques or Beira), Sept. 10—both Elder Dempster Lines Ltd.

*To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Singapore, Madras, Rangoon and Calcutta.*—City of Auckland, Aug. 30; City of Guilford, Sept. 15—both Canada-India Service.

*To Belawan Deli, Penang, Port Swettenham, Singapore, Batavia, Cheribon, Samarang, Soerabaya and Macassar.*—Tabian, Java-New York-Blue Funnel Line, Sept. 10.

*To Manila, Hongkong, Shanghai and Dairen.*—City of Singapore, Ellerman & Bucknell SS. Co., Sept. 2.

*To Santos and Buenos Aires.*—A steamer (does not call at Santos), Gardiaz Line, Aug. 27; Tureby, International Freighting Corp., Aug. 28.

### From Quebec

*To Southampton.*—Empress of Britain, Aug. 28; Empress of Australia, Sept. 1—both Canadian Pacific.

### From Halifax

*To Liverpool.*—Newfoundland, Sept. 4; Nova Scotia, Sept. 21—both Furness Line; Manchester Exporter, Manchester Line, Sept. 11.

*To London, Hamburg, Bremen, Hull, Leith and Dundee.*—Artigas, Aug. 27; Capulin, Sept. 11—both American Hampton Roads.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Kongshaug, Newfoundland-Canada SS. Ltd., Aug. 23 and Sept. 6; Fort Amherst, Aug. 23 and Sept. 6; Fort Townsend, Aug. 30 and Sept. 13—both Furness-Red Cross Line; Portia (does not call at St. Pierre), Newfoundland Ry. and SS. Co., Aug. 25; Newfoundland, Sept. 4; Nova Scotia, Sept. 21—both Furness Line.

*To Kingston (Jamaica) and Belize (British Honduras).*—Catheart, Aug. 30; Cavalier, Sept. 13—both Canadian National.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Nelson, Aug. 26; Lady Hawkins, Sept. 9—both Canadian National.

*To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer, Ocean Dominion SS. Corp., Sept. 1 and 20.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Colborne, Aug. 23; Chomedy, Sept. 6—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Bermuda, West Indies, and Demerara.*—A steamer, Pickford & Black Ltd., Sept. 1.

*To Santiago (Cuba) and Kingston (Jamaica).*—Ciss, Aug. 25; Kirsten B, Sept. 8—both Pickford & Black Ltd.

*To Yokohama, Kobe, Shanghai, Hongkong, Manila, Cebu and Java.*—Silvercedar, Sept. 5; Silverwalnut, Sept. 30—both Silver Line; Siamese Prince, Sept. 20; Malayan Prince, Oct. 25—both Prince Line.

### From Saint John

*To London, Hull, Aberdeen and Newcastle.*—Cavallo, Ellerman's Wilson Line, Sept. 9.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Hawkins, Canadian National, Sept. 1.

*To Kingston and Jamaican Outports.*—Crawford Ellis (cargo accepted for transshipment to Central and South American ports), United Fruit Co., Aug. 27.

### From Vancouver

*To Yokohama, Kobe and Osaka.*—Hiye Maru, Aug. 28; Heian Maru, Sept. 11; Hikawa Maru, Oct. 2—all Nippon Yusen Kaisha.

*To Yokohama, Kobe, Shanghai, Hongkong and Manila.*—Empress of Japan (calls Honolulu), Sept. 4; Empress of Asia (calls Nagasaki), Sept. 18; Empress of Canada, Oct. 2; Empress of Russia, Oct. 16—all Canadian Pacific; Tyndareus, Sept. 18; Ixion, Oct. 16—both Blue Funnel Line (call at Miike but not at Manila).

*To Manila, Iloilo, Cebu, Sourabaya, Samarang, Batavia, Singapore, Port Swettenham, Belawan Deli, Colombo, Bombay and Persian Gulf Ports.*—Djambi, Sept. 8; Tosari, Oct. 1—both Silver-Java Pacific Line.

*To Honolulu, Suva, Auckland and Sydney.*—Aorangi, Aug. 31; Niagara, Sept. 29—both Canadian-Australasian Line.

*To Papeete, Auckland, Wellington, Lyttleton, Dunedin, Melbourne and Sydney.*—Limerick (calls at New Plymouth), Aug. 24; Waitapu (does not call at Wellington or Melbourne), Sept. 27—both Canadian-Australasian Line.

*To Wellington, Port Huon, Beauty Point, Melbourne and Sydney.*—Anglo Canadian, Canadian-Australasian Line, Sept. 20.

*To London, Liverpool and Rotterdam.*—Lochgoil, Sept. 4; Lochmonar (calls at Glasgow), Sept. 18; Drechtdyk, Oct. 2; Lochkatrine, Oct. 16—all North Pacific Coast Line.

*To Antwerp, Hamburg and Bremen.*—Vancouver, Aug. 25; Oakland, Sept. 19—both Hamburg-American Line; Elbe, Sept. 1; Weser, Oct. 6—both North German Lloyd Line.

*To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.*—San Antonia, Aug. 24; Wisconsin, Sept. 13—both Empire Shipping Co. Ltd.

*To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.*—Chisone, Aug. 22; Leme, Sept. 20—both Empire Shipping Co.

*To Port of Spain (Trinidad) and Bridgetown (Barbados).*—Chr. Knudsen, Canadian Transport Co., Aug. 24.

*To Kingston (Jamaica), Trinidad and Demerara.*—A steamer, Canadian Transport Co., September.

*To Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques, Beira, Colombo, Calcutta and Madras.*—Manoeran, Sept. 4; Silverwillow, Oct. 5—both Silver-Java Pacific Line.

*To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.*—Evanger, Aug. 25; Brandanger, Sept. 30—both Empire Shipping Co.



# COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

## CANADIAN GOVERNMENT TRADE COMMISSIONERS

### Argentina

J. A. STRONG, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

### Australia

*Sydney*: L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh Streets. (Territory covers Federal District of Canberra, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

*Commercial Agent*: B. MILLIN, The Royal Exchange, Sydney, N.S.W.

*Melbourne*: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building, Melbourne. (Territory covers States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

### Belgium

YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

### Brazil

L. S. GLASS. Address for letters—Caixa Postal 2164, Rio de Janeiro. Office—Ed. Da. "A. Noite," Sala 802, Praca Maua. *Cable address, Canadian.*

### British Malaya

B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory covers the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

### British West Indies

*Trinidad*: M. B. PALMER. Address for letters—P.O. Box 125, Port of Spain. Office—Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, and British Guiana.) *Cable address, Canadian.*

*Jamaica*: F. W. FRASER, P.O. Box 225, Office—Canadian Bank of Commerce Chambers, Kingston. (Territory covers Jamaica, Haiti, the Bahamas, and British Honduras.) *Cable address, Canadian.*

### China

*Shanghai*: H. A. SCOTT. Address for letters—P.O. Box 264. Office—Ewo Building, 27 The Bund, Shanghai. (Territory covers Central China and North China.) *Cable address, Canadian.*

### Cuba

C. S. BISSETT. Address for letters—Apartado 1945, Havana. Office—Royal Bank of Canada Building, Calle Aguiar 75, Havana. (Territory includes Dominican Republic and Puerto Rico.) *Cable address, Canadian.*

### Egypt

HENRI TURCOT. Address for letters—P.O. Box 1770, Cairo. Office—22 Shari Kasr el Nil, Cairo. (Territory includes the Sudan, Palestine, Cyprus, Iraq, Syria, Iran, Greece, Turkey, Bulgaria, and Roumania.) *Cable address, Canadian.*

### France

HERCULE BARRÉ, Commercial Attaché, 3 rue Scribe, Paris (9). (Territory includes French Colonies in North Africa.) *Cable address, Cancomac.*

### Germany

J. C. MACGILLIVRAY, Mönckebergstrasse 31, Hamburg. (Territory includes Germany—except the Rhine Valley—Czechoslovakia, Austria, and Poland.) *Cable address, Canadian.*

### Hongkong

V. E. DUCLOS. Address for letters—P.O. Box 80, Hongkong. Office—Gloucester Building, Hongkong. (Territory includes South China, the Philippines, and Indo-China.) *Cable address, Canadian.*

### British India

PAUL SYKES. Address for letters—P.O. Box 2003, Calcutta. Office—23 Esplanade Mansions, Government Place East, Calcutta. (Territory includes Burma and Ceylon.) *Cable address, Canadian.*

### Irish Free State and Northern Ireland

JAMES CORMACK, 66 Upper O'Connell Street, Dublin, Irish Free State (*cable address, Canadian*); and 40 Victoria Square, Belfast, Northern Ireland.

## CANADIAN GOVERNMENT TRADE COMMISSIONERS—*Con.*

### Italy

A. B. MUDDIMAN, Via Manzoni Nr. 5, Milan (102). (Territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia.) *Cable address, Canadian.*

### Japan

*Tokyo*: ACTING COMMERCIAL SECRETARY. Address for letters—P.O. Box 401, Tokyo Central. Office—Canadian Legation, 16 Omotecho, 3-chome, Akasakaku, Tokyo. *Cable address, Canadian.*

*Kobe*: P. V. McLANE. Address for letters—P.O. Box 230, Kobe. Office—309 Crescent Building, 72 Kyomachi, Kobe. *Cable address, Canadian.*

### Mexico

ACTING TRADE COMMISSIONER. Address for letters—Apartado Num. 126-Bis, Mexico City. Office—Edificio Banco de Londres y Mexico, Num. 30, Mexico City. (Territory includes Guatemala, Honduras, and Salvador.) *Cable address, Canadian.*

### Netherlands

J. A. LANGLEY, Coolsingel 111b, Rotterdam. (Territory includes the Rhine Valley and Switzerland.) *Cable address, Canadian.*

### New Zealand

W. F. BULL. Address for letters—P.O. Box 33, Auckland. Office, Yorkshire House, Shortland Street, Auckland. (Territory includes Fiji and Western Samoa.) *Cable address, Canadian.*

### Norway

RICHARD GREW, Stortingsgaten 28, Oslo. (Territory includes Sweden, Denmark, and Finland.) *Cable address, Canadian.*

### Panama

W. J. RIDDIFORD. Address for letters—P.O. Box 222, Panama City. Office—Royal Bank of Canada Building, Santa Ana Plaza, Panama City. (Territory includes the Canal Zone, Venezuela, Colombia, Nicaragua, and Costa Rica.) *Cable address, Canadian.*

### Peru

M. J. VECHSLER. Address for letters—Casilla 1212, Lima. Office—Portal de Belén No. 166, Plaza San Martin, Lima. (Territory includes Bolivia, Ecuador, and Chile.) *Cable address, Canadian.*

### South Africa

*Cape Town*: G. R. HEASMAN. Address for letters—P.O. Box 683, Cape Town. Office—Cleghorn & Harris Building, Adderley Street, Cape Town. (Territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar.) *Cable address, Cantracom.*

*Johannesburg*: J. L. MUTER. Address for letters—P.O. Box 715, Johannesburg. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

### United Kingdom

*London*: FREDERIC HUDD, Chief Trade Commissioner in the United Kingdom, Canada House, Trafalgar Square, S.W.1. *Cable address, Sleighing, London.*

*London*: J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W.1. (Territory covers Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

*London*: W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C.2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—covers United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

*London*: W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W.1. *Cable address, Agrilson.*

*Liverpool*: H. R. POUSSETTE, Martins Bank Building, Water Street. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

*Bristol*: E. L. MCCOLL, Northcliffe House, Colston Avenue. (Territory covers West of England, South Wales, and South Midlands.) *Cable address, Canadian.*

*Glasgow*: G. B. JOHNSON, 200 St. Vincent Street. (Territory covers Scotland.) *Cable address, Cantracom.*

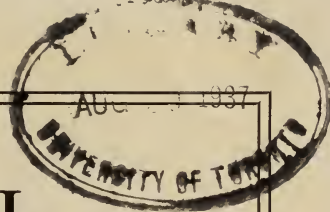
### United States

*New York City*: D. S. COLE, British Empire Building, Rockefeller Center. (Territory includes Bermuda.) *Cable address, Cantracom.*

**Note.**—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.



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# COMMERCIAL INTELLIGENCE JOURNAL

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No. 1752



Unloading Canadian Cars from Lighter to Pier at Singapore

ISSUED BY AUTHORITY OF  
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE  
JAMES G. PARMELEE, DEPUTY MINISTER

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## WHEAT AND FLOUR TRADE REGULATION IN EUROPEAN COUNTRIES<sup>1</sup>

### III. Germany

J. C. MACGILLIVRAY, CANADIAN TRADE COMMISSIONER

(R.M.I equals 40 cents Canadian; 100 kilos equal 220 pounds)

#### WHEAT AND RYE

Hamburg, July 31, 1937.—With a population, which is largely industrial, of over 66,000,000 and a fairly good standard of living, Germany is an important consumer of bread grains, but, unlike other Western European countries, rye rather than wheat is the principal cereal employed. The use of rye bread is particularly common in the north, while in the south wheat bread is preferred. Germany's standing army, which is estimated to have a strength of some 800,000 men, is also fed on rye bread, which is a factor of some consequence in computing the total consumption. Taking the country as a whole, the ratio between the use of rye and wheat as a bread grain is roughly five to three in favour of the former, and the per capita consumption of wheat is less than half that of France, Belgium, or the United Kingdom. There are only two other Western European countries, Portugal and Finland, where the consumption of wheat is less than in Germany.

Whereas Germany was formerly a purchaser of large quantities of foreign wheat, the volume of imports has, for reasons which will subsequently be given, shrunk to minor proportions. Domestic production is large, but, despite efforts to increase it, the average wheat crop is below the country's requirements, and it is only in years of an exceptional harvest that an approach to parity is reached. The German wheat trade, both as regards imports, production and milling, is characterized by the high degree of government control to which it is subject. There are no imports of flour with the exception of negligible quantities of special varieties used for industrial or technical purposes.

#### FOREIGN TRADE IN BREAD GRAINS

In recent years more rye has been used as a feeding grain in Germany. Formerly it was not thought to be suitable for this purpose. In consequence the export surplus which was formerly available in good crop years is no longer existent, and there are now some imports, although in the meantime the use of rye as well as wheat as a feedstuff has been prohibited. In 1934 the quantity of rye exported amounted to 3,839,229 bushels as against imports of 1,369,560 bushels. In 1935 the situation was reversed with 6,866,606 bushels imported and

<sup>1</sup> Earlier reports in this series were published in the *Commercial Intelligence Journal* as follows: United Kingdom, No. 1748; Belgium, No. 1751.





*German Wheat Imports*

Country of Origin	1931	1932	1933	1934	1935	1936	1937 Jan.-June
			Figures in Bushels				
Canada . . . . .	18,434,652	17,269,463	22,280,347	15,682,339	311,455	957,529	366,404
United States..	2,450,422	7,409,748	741,231	574,373	840	66,842	18,370
Argentina . . . .	4,719,595	7,482,932	2,689,683	1,676,570	670,903	877,118	1,440,316
Russia . . . . .	5,797,242	479,180	653,786	1,293,398	388,758	64,329	.....
Hungary . . . . .	59,295	1,469,850	72,280	358,762	552	.....	1,727
Danzig . . . . .	696,346	1,303,931	1,184,864	1,766,487	11,631	.....	.....
Australia . . . .	271,158	385,289	.....	7,517	.....	.....	471,105
Turkey.. . . .	.....	.....	.....	550,020	1,235,229	175,424	1,649,916
France.. . . .	.....	2,385	.....	510,225	1,321,820	106,866	151,406
Yugoslavia . . . .	.....	110,263	.....	458,617	765,806	.....	2,160,131
Czechoslovakia .	.....	.....	.....	.....	.....	.....	745,050
Total.. . . .	28,826,992	36,918,094	28,739,524	20,380,371	10,792,394	2,678,119	21,851,409

During the first six months of 1937 additional countries of origin, together with the quantities supplied by each, include Poland with 66,536 bushels; Roumania, 382,096 bushels; British India, 607,606 bushels; Uruguay, 50,187 bushels; and Iran, 306,338 bushels.

## BILATERAL TRADING AGREEMENTS

Germany has bilateral clearing and payments agreements with all important cereal-producing countries with the exception of the United States and Australia. These agreements, particularly the clearings, tend to divert wheat purchases which are still being made to exporters who will take German industrial products in return, even though the so-called clearing price is much above the world market quotation and the quality of the product offered is inferior. Yugoslavia has thus in 1937 become the principal source of supply of German wheat imports, with Turkey in second place.

Such clearings are in operation with grain-growing countries such as Argentina, Hungary, Roumania, Yugoslavia, Czechoslovakia, and Turkey. As regards Canada, the Payments Agreement concluded with Germany in the autumn of 1936 ensures that 35 per cent of the exchange accruing from the export of German goods to Canada will be made available for the purchase of Canadian wheat.

As the preceding table indicates, considerable quantities of Turkish wheat were imported by Germany between 1934 and June, 1937, which came in by virtue of a clearing between the two countries. Turkey is a producer of Durum wheat and as such is a competitor of Canada on the German market and, because of the clearing Turkish Durum has been sold in this country at a price which was 40 per cent above Canadian quotations despite the fact that it contains as much as 15 per cent soft wheat and is otherwise inferior as far as quality is concerned.

## DOMESTIC PRODUCTION

As regards rye, Germany is practically self-sustaining. There are large areas of the country which, owing to soil conditions, are not suitable for wheat growing, and consequently there is a large production of rye. During favourable years there has even been an export surplus, although there are also frequently small imports to supplement the domestic crop. In 1936 there was an import surplus of 23,152 metric tons and in 1935 a similar balance of 183,133 tons. In 1934, however, there was a surplus of exports over imports amounting to 24,791 tons.

Germany has always been regarded as a large wheat-importing country. From the point of view of quantity she is also an important wheat-producing country, despite the dominant position held by rye. The principal growing areas are in Pommerania, Brandenburg and East Prussia, Lower Silesia and

Saxony, and during the seven years past, from 1930 to 1936, the yearly crop averaged 178,289,056 bushels in comparison with an average for the period 1924 to 1929 of 118,100,000 bushels. This, coupled with an average rye crop of 275,611,301 bushels during the 1930-36 period, illustrates the extent to which Germany is self-sufficient in bread cereals.

The actual German production of bread grains, together with the areas sown, from 1930 to 1936 has been as follows:—

### *Production of Bread Grains*

	Rye		Wheat	
	Bushels	Acres	Bushels	Acres
1930 .. . . .	274,837,136	11,681,385	199,204,369	4,401,409
1931 .. . . .	239,077,307	10,787,894	155,533,509	7,354,770
1932 .. . . .	299,331,598	10,995,893	183,812,829	5,634,452
1933 .. . . .	312,347,522	11,179,296	205,901,027	5,726,614
1934 .. . . .	272,276,648	10,097,090	166,454,049	5,430,443
1935 .. . . .	267,646,597	11,255,039	171,472,166	5,224,033
1936 .. . . .	263,762,295	11,113,126	165,645,445	4,931,175

As regards 1937 production, the area under winter rye is reported to be some 5·5 per cent below that of the previous year. Winter wheat acreage is also down by about 3·8 per cent, while crop conditions in general are below average.

### BREAD GRAIN SHORTAGE

In 1933, when there was a particularly good wheat and rye crop which made Germany practically self-sustaining as regards both these products, the bread grain question was believed to be solved. Since then, however, a series of less favourable harvests, coupled with lessened imports, have resulted in an acute shortage of bread grains, which is now publicly admitted and is reflected by the larger imports since the beginning of 1937.

As will have been noted from the preceding paragraphs, when comparing the 1924-29 and 1930-36 periods, there has been a decline in the average wheat imports and an increase in average production as follows:—

	Bushels
Average annual imports 1924-29 .. . . .	79,200,000
Average annual imports 1930-36 .. . . .	25,000,000
Average annual decrease in imports .. . . .	54,200,000

As regards domestic production, the situation is as follows:—

	Bushels
Average annual production 1924-29 .. . . .	118,100,000
Average annual production 1930-36 .. . . .	178,300,000
Average annual increase in production .. . . .	60,200,000

It will be seen in comparing the two periods shown in the preceding table that the increase in production has more than offset the decline in imports. At the same time consumption has increased owing to the natural growth of the population and a better employment situation.

In 1935, however, and to a greater extent in 1936, the volume of the inland crop was well below average, and as a result a shortage of bread grain has developed, which is accentuated by an unfavourable outlook for the 1937 harvest.

### EMERGENCY MEASURES

In order to meet this emergency and safeguard the food supply a number of extraordinary measures have been taken by the Government, among which are included the following:—

(1) Millers are compelled to add 7 per cent corn flour to all wheat flour and 10 per cent corn flour to all rye flour.



(2) Milling regulations have been altered to require a greater extraction of flour from a given quantity of grain.

(3) The use of wheat and rye for distilling purposes is prohibited. The same thing now applies to barley, oats, and corn.

(4) The purchase and use of wheat and rye for the purpose of feeding livestock is prohibited.

(5) In order to further increase production the price of potash fertilizers has been reduced by 25 per cent and of nitrogen fertilizers by 30 per cent.

Other regulations required farmers, in return for specially favourable terms, to surrender their quotas of wheat and rye considerably in advance of the normal time schedules, and encouraged them to surrender also such quantities of these grains in their possession as were over and above their obligatory quotas. Late in July, however, an order was issued by virtue of which the whole of the wheat and rye crops being harvested in Germany was requisitioned by the authorities, with the exception of seed requirements plus what the farmers required for their own personal use. Quotas have therefore been abolished in so far as the present crops of wheat and rye are concerned, although reference will be made to them later in discussing the existing government monopoly on bread grains.

Later in the year when the new potato crop has been harvested, if the quantity is sufficient, bread grain supplies are to be further spun out by the admixture of a quantity of potato starch, probably about 3 per cent.

An additional order, issued early in July, forbids the sale of bread until the day after it is baked. German bread cannot now be disposed of by the bakers until it has become stale. By this means a substantial economy in consumption is anticipated.

#### GOVERNMENT MONOPOLY

As is the case with all other commodities, the importation of wheat and other cereals into Germany is the equivalent of a government monopoly, and all purchases are made through the medium of a Government Bureau, the Reichsstelle für Getreide und Futtermittel, with headquarters in Berlin. While private traders nominally still conduct the individual transactions, governmental authority dictates from whom they are to purchase, to whom they are to sell, the price at which business may be done, and also the profit which they may retain for themselves.

As a result of these measures, normal trading in wheat is no longer conducted in Germany. Imports are confined to a minimum, and the effect of price fluctuations in Liverpool, Winnipeg, or elsewhere have but little effect on the import volume.

In the production field farmers are given production quotas which stipulate that they must deliver to the state authorities all their production of wheat and rye, less seed and what they need for their own use, for which they are paid a fixed price. The latter is based on a sliding scale depending on the location of the grower and the time of the year at which delivery is made. This planned economy is carried further to the miller, who also pays the Government a set price for his wheat, which he in turn sells to the baker at a controlled figure, while the consumer buys bread at a price determined by the State.

#### DECLINE IN SUPPLY

By combining the figures representing domestic production and net imports it is possible to get an approximation of Germany's total consumption of rye and wheat. While the former has remained comparatively steady, there has, on the basis of a survey covering the period 1930 up to the present, been a marked diminution as regards the latter. In comparison, for instance, with 1930 the year 1936 showed a decrease of nearly 32 per cent. Between the same

years home production dropped from 199,204,390 bushels to 165,645,445 bushels, a contraction of more than 20 per cent. The average for the seven years 1930 to 1936 was 178,289,056 bushels, which means that the 1936 crop was below normal. Notwithstanding, the volume of the domestic crop does not tend to increase above the present average despite efforts towards that purpose.

Apart from the failure to secure a greater volume of inland production there has been the precipitous drop in net imports up to the end of 1936, which stood at only 2,671,360 bushels in that year against 46,314,540 bushels in 1930 and a seven-year average of 25,052,549 bushels.

#### WHEAT CONSUMPTION

The shrinkage in wheat supplies, with particular reference to imports, has been caused by the shortage of foreign exchange in Germany, which has not made it possible to effect larger purchases abroad, coupled with a lower per capita consumption of bread and the use of substitutes such as potatoes.

Total German wheat consumption for the seven-year period 1930 to 1936 has been as follows: 1930, 245,518,909 bushels; 1931, 174,940,099; 1932, 203,830,016; 1933, 215,269,547; 1934, 180,122,522; 1935, 181,740,639; 1936, 168,316,805 bushels.

Based on the above figures, the yearly average for the period was some 195,700,000 bushels. Included in this are the country's seed requirements, which have been estimated at approximately 13,000,000 bushels, and a probable smaller quantity which was formerly used as a feedstuff.

#### IMPORT DUTIES

Under the existing system of government control import duties are of minor importance in determining the volume and direction of German grain imports. Wheat is subject to a tariff duty of R.M.35 per 100 kilos (about \$3.80 per bushel). By virtue of a decree which became effective on January 1, 1937, it was, however, provided that wheat imported by the Government Monopoly Board between that date and August 31, 1937, would be admitted at a nominal rate of R.M.1 per 100 kilos (about 11 cents per bushel). Prior to January 1, 1937, the rate on wheat when imported through an agency designated by the Minister of Food and Agriculture was R.M.8.50 per 100 kilos.

As regards ordinary wheat flour, the German tariff provides that it is dutiable at  $1\frac{2}{3}$  the rate applicable to wheat, plus a surcharge of R.M.1.50 per 100 kilos.

#### MILLING INDUSTRY

It is estimated that there is a total of roughly 28,000 flour mills in Germany grinding rye or wheat, or both. The great majority of these are small rural establishments with low capacities, and only about 150 can be classified as large commercial mills. These larger mills are located principally in the Hamburg and Bremen areas and in the Rhineland, in all of which districts there is convenient water transportation.

Since 1933 all German mills have been required by the Government to become members of a central association which regulates their supplies and stocks of raw materials, the volume of their flour output, and the price at which purchases are made, with the manufacture of only one variety of rye and three varieties of wheat flour permitted.

Millers do not purchase their wheat from producers, importers, or private traders, but only from the Monopoly Control Board.



**GERMAN FLOUR TRADE**

Up to 1926 Germany was an importer of foreign flour, but with the lapsing of the stipulation in the Treaty of Versailles which necessitated the granting of preferential tariff treatment to ex-allied countries the domestic milling industry was granted protection. Subsequently this was further increased and, with the added handicaps caused by the imposition of currency restrictions and import control, flour imports have to all intents and purposes ceased.

The value of imports and exports of flour, in metric tons, from 1930 to 1937 are subjoined:—

	Imports M. Tons	Exports M. Tons
1930 .. . . .	1,197,187	22,446
1931 .. . . .	797,640	288,612
1932 .. . . .	1,021,530	467,651
1933 .. . . .	770,343	536,082
1934 .. . . .	646,961	185,721
1935 .. . . .	158,893	13,119
1936 .. . . .	570	28,894

The regulations affecting food grains are the most complicated and the most thorough of all the regulations governing Germany's food supply. They may be roughly summarized as exercising a duplicate control over both volume and price. To each of the two million farmers concerned there were assigned quotas of rye and wheat which must be delivered annually to government authorities. It is now stipulated that the total quantity of rye and wheat produced must be handed over. Similarly, quotas are assigned to the flour millers, and control is exercised by means of lead seals on the sacks. Price control consists of a system of fixed prices varying by regions according to local conditions and transport costs and rising gradually each month from the low point after harvest according to estimated warehousing costs. Millers must keep a stock of grain on hand equivalent to one month's milling needs, although, owing to the shortage of the past six months, this has in practice not been possible.

Flour prices are also fixed for specified districts, and there are very rigorous regulations regarding the degree of grinding and the prices to be charged for by-products. The baker in his turn is bound by fixed prices for flour and by fixed prices for bread.

## **ECONOMIC AND TRADE CONDITIONS IN THE UNITED STATES, JANUARY TO JUNE**

D. S. COLE, CANADIAN TRADE COMMISSIONER

New York City, August 12, 1937.—Business conditions in the United States for the first half of 1937 showed continued improvement despite a number of adverse factors, including strikes, floods, currency instability, an unsettled political outlook, and the disturbed situation abroad. The average level of business for the past six months was the highest for any period since the recovery began, although the rate of advance was slower than in the 1936 period.

Substantial gains in employment have been an encouraging feature during the period, particularly factory employment, which increased steadily. However, unemployment still presents one of the major problems of the country. The labour situation is the chief obstacle that business has had to overcome.

The total value of foreign trade has gained steadily, both exports and imports exceeding last year's total by a wide margin. The upward movement has been due to an increase in prices and in quantities of commodities exported and imported.

The steel, automobile, and building construction industries have all reported gains for the first six months of this year.

Crop conditions have been the best for several years, and the outlook is excellent. Farmer's cash income from the sales of farm products has shown a decided improvement.

#### RETAIL SALES

The value of department store sales in the first six months of this year increased by 11 per cent over that of the previous year and the net physical volume of sales rose only 6 per cent, indicating that a large portion of the gain in department store activity is directly traceable to higher prices rather than to increased turnover of goods. Variety store sales showed an increase of 6 per cent over last year, and rural retail sales gained 12 per cent for the six-months' period.

#### STEEL INDUSTRY

The American Iron and Steel Institute reports that for the first half of 1937 the steel ingot output in the United States amounted to 28,764,635 gross tons, an increase of 35 per cent over the output of 21,276,097 tons for the similar period of 1936. Production was almost equal for the first two quarters of 1937, aggregating 14,355,437 tons in the March quarter and 14,409,196 tons in the June quarter.

Production in the first half of the year would have set a new peak had the output not been curtailed by strikes, since the actual output was less than 1 per cent below the record production of 29,036,274 tons in the first half of 1929. The output was nearly four times as much as the depression low of 7,697,210 tons in the first six months of 1932.

Operations in June were at the rate of 74.46 per cent of capacity as compared with 88.82 per cent in May, a 1937 high of 90.27 per cent for April, and the June, 1936, rate of 70.75 per cent.

#### AUTOMOBILE INDUSTRY

Despite the setback given the automobile industry early in the year by labour troubles, the Automobile Manufacturers Association, which does not include the Ford Motor Company, placed the industry's shipments for the first six months of the current year at 2,922,264 units. This was 13 per cent above the corresponding period last year and was the second largest first-half volume ever reported for the industry, having been exceeded by the first six months of 1929.

#### BUILDING CONSTRUCTION

Building construction for the first six months ending June, 1937, represented an increase of 20.8 per cent over the similar 1936 period, the respective figures being \$1,494,514,300 and \$1,237,340,800. During 1936 construction in the thirty-seven eastern states advanced 45 per cent over 1935 figures to \$2,675,296,000.

Since the beginning of the year advancing costs have weighed heavily on the industry. Substantial wage advances with shorter hours and stiffening requirements as to working conditions have been granted by the contractors and building materials manufacturers, with the result that labour costs, which constitute the greater part of building expenditure, show a sharp increase as compared with a year ago.

#### AGRICULTURE

Farmers' cash income from the sale of farm products in the month of June amounted to \$604,000,000, an increase of \$17,000,000 from the June, 1936, total



of \$587,000,000. In addition to income from sales of farm products, farmers received \$27,000,000 as government payments in connection with the Agricultural Conservation Program as compared with \$57,000,000 in June, 1936. The total cash farm income including government payments in June amounted to \$631,000,000, or 2 per cent less than the estimate of \$644,000,000 for June, 1936.

For the first half of the current year cash income from sales of farm products totalled \$3,503,000,000 and was 12 per cent, or \$378,000,000, more than the total for the 1936 period. Including government payments total cash income for the January-June period of 1937 was \$539,000,000, or 16 per cent more than in the like period of 1936.

#### CROP ESTIMATES

The Crop Reporting Board, in their report of July 1, indicate a total United States wheat production in 1937 of 882,287,000 bushels as compared with the 1936 estimate of 626,461,000 bushels and the five-year average (1928-32) of 864,532,000 bushels.

The production of winter wheat is placed at 663,641,000 bushels as against 519,013,000 bushels in 1936 and the five-year average of 623,220,000 bushels. Threshing returns show that yields are turning out somewhat better than was expected except in the area extending from Nebraska and Kansas to Ohio where prospects were reduced by rust.

The acreage of winter wheat harvested or to be harvested is now estimated at 47,079,000 acres as against 37,608,000 acres in 1936 and the five-year average of 39,724,000 acres.

Production of spring wheat is placed at 218,646,000 bushels, a sharp increase over the 107,448,000 bushels produced in 1936 but well below the five-year average of 241,312,000 bushels.

The acreage of spring wheat for harvest this year, 21,119,000 acres, is almost twice as great as the 11,212,000 acres harvested last year and is above the five-year average of 20,414,000 acres.

The production of oats in 1937 is estimated at 1,111,229,000 bushels, which is about 41 per cent more than the 1936 crop of 789,100,000 bushels and, with the exception of 1935, is the largest since 1932. Corn production was forecasted at 2,571,851,000 bushels as against 1,529,327,000 bushels in 1936. Corn prospects are the most favourable since 1932, except in the Western Great Plains States, where conditions vary from average to sharply below average because of drought and insects.

#### STOCKS

Farm stocks of old wheat on hand July 1, 1937, were estimated at 21,880,000 bushels as against 43,988,000 bushels on the same date a year ago. Stocks of oats were estimated at 88,474,000 bushels on July 1, 1937, as compared with 287,745,000 bushels on July 1, 1936. Corn stocks, the lowest on record, were placed at 156,113,000 bushels as compared with 394,794,000 bushels on farms on July 1, 1936.

#### COTTON

The Crop Reporting Board estimated the acreage under cultivation in cotton, as of July 1, at 34,192,000 acres, representing an increase of 10.4 per cent from the acreage of July 1, 1936. Although no estimates have been made of the size of the yield, it is expected that it will be close to 13,200,000 bales of cotton.

#### COMMODITY PRICES

The general level of commodity prices has pursued a very uneven course so far this year. The first three months witnessed a sharply rising trend which

was halted abruptly early in April when it became apparent that the government was prepared to take measures to check an inflationary price rise.

Wholesale commodity prices continued to decline during the first half of June but since then have recovered substantially. The recovery is confirmed by a rise in the Bureau of Labour Statistics index of raw materials to 86.9 per cent of the 1926 average and to the exact figure as of January 2, 1937. Semi-manufactured goods have increased 3 per cent since the first of the year, while finished goods have risen 5.4 per cent during the period.

### NEWSPRINT

A recent report issued by the Newsprint Service Bureau, New York, indicates that the production of 2,432,335 tons of newsprint paper in North America for the first six months of 1937 was 15.6 per cent above the 2,104,748 tons for the like period of 1936. Canada is credited with 1,783,350 tons, or 73.3 per cent of the total, while the United States and Newfoundland produced 470,036 tons and 178,949 tons respectively.

The Canadian mills produced 293,244 tons more in the January-June period of 1937 than in the corresponding period of 1936, an increase of 19.7 per cent. The United States output for this period increased by 9,908 tons, or 2.2 per cent over the 1936 figure, while Newfoundland production rose by 24,435 tons, or 15.8 per cent over that for the first half of 1936.

At the close of June stocks of newsprint at the mills were reported at 82,382 tons as against 80,773 tons in 1936. Canadian mills held 67,438 tons and those in the United States 14,944 tons.

### FOREIGN TRADE

According to the latest figures on United States foreign trade issued by the Department of Commerce, the total exports for the first six months of 1937 amounted to \$1,536,380,000 as compared with \$1,154,961,000 for the similar period of 1936, an increase of \$381,419,000, or 33 per cent. Imports into the United States totalled \$1,683,701,000 for the six-months' period of 1937 as against \$1,164,509,000 for the 1936 period, a gain of \$519,192,000, or 45 per cent. The excess of imports over exports for the six-months' period was \$147,321,000 as compared with \$9,548,000 for the corresponding period of 1936.

The physical volume of exports was approximately 23 per cent greater than in the comparable six months of 1936, and the quantity of imports approximately 28 per cent greater. Export unit prices advanced on an average of 8 per cent and import unit prices about 13 per cent.

United States exports, including re-exports, and general imports for the first six months of 1937 as against the first six months of 1936 are as follows:—

	Exports		Imports	
	1937	1936	1937	1936
January.. . . . .	\$ 222,466,000	\$ 198,564,000	\$ 240,451,000	\$ 187,482,000
February .. . . .	233,096,000	182,024,000	277,709,000	192,774,000
March .. . . .	256,607,000	195,113,000	307,495,000	198,701,000
April.. . . .	268,935,000	192,795,000	287,207,000	202,779,000
May .. . . .	289,912,000	200,772,000	284,892,000	191,697,000
June.. . . .	265,363,000	185,693,000	285,946,000	191,077,000
Total .. . . .	\$1,536,380,000	\$1,154,961,000	\$1,683,701,000	\$1,164,509,000



Exports of animals and animal products, edible, increased in value from \$27,581,000 in the first six months of 1936 to \$28,518,000 in the corresponding period of 1937; vegetable food products and beverages, from \$64,390,000 to \$73,239,000; unmanufactured cotton, from \$154,082,000 to \$175,849,000; while exports of unmanufactured tobacco declined in value from \$43,670,000 to \$36,103,000.

Shipments of petroleum and petroleum products increased from a value of \$125,457,000 in the first half of 1936 to \$168,522,000 in the first half of 1937; electrical machinery and apparatus increased to \$55,126,000 from \$43,366,000; agricultural machinery and implements, from \$21,267,000 to \$34,505,000; automobiles, parts and accessories, from \$132,824,000 to \$176,060,000; iron and steel and semi-manufactures, from \$39,679,000 to \$99,190,000; and copper, from \$21,574,000 to \$47,864,000.

A considerable part of the gain in the value of imports during the first six months of 1937 as compared with the same period of 1936 was accounted for by vegetable food products and beverages, which increased from \$316,410,000 to \$436,624,000. Other groups reporting increases were textile fibres and manufactures, which rose from \$183,797,000 to \$281,058,000; inedible vegetable products, from \$156,962,000 to \$243,621,000; metals and manufactures, from \$98,745,000 to \$136,984,000.

Individual commodities which have shown the largest absolute increase in value in the first half of 1937 were rubber with a gain of \$47,800,000; wool by \$44,400,000; grains, \$44,000,000; oil seeds, \$18,000,000; cocoa, \$16,200,000; coffee, \$14,600,000; newsprint paper, \$12,500,000; furs, \$11,200,000; and paper base stocks, \$10,800,000.

#### RAILWAY SITUATION AND CAR LOADINGS

Class I railroads in the United States for the first half of 1937 had a net railway operating income of \$237,645,050, which was at the annual rate of return of 2·73 per cent on property investment and is comparable to a 1936 income of \$187,733,850, or 2·17 per cent of their property investment for the same period. Gross operating revenues for the first five months of 1937 totalled \$1,735,611,207 as compared with \$1,542,039,671 for the same period of 1936.

The Association of American Railroads reports an improvement in railway freight traffic for the January-June period of 1937 as compared with the like period of 1936. For the 1937 period loadings amounted to 18,928,106 cars, an increase of 14·1 per cent over the 16,583,794 cars loaded in the corresponding period of 1936.

#### BANK CLEARINGS

Bank exchanges at the principal clearing houses of the country for the first six months of 1937 amounted to \$172,348,566,119 as compared with \$161,131,502,607 for the corresponding period of 1936, an increase of 7 per cent. In New York City bank clearings for the six-months' period amounted to \$98,749,521,484, an increase of 0·9 per cent from the amount of \$97,822,634,170 for the similar period of 1936.

#### FINANCIAL SITUATION

##### GOLD IMPORTS

Despite the import surplus in merchandise trade, gold has continued to flow into the United States in a large volume. Imports for the January-June period

of 1937 amounted to \$1,029,000,000 as against \$536,692,000, or an increase of \$492,635,000 over the 1936 period. The majority of the gold imports are from Europe and are attributed largely to the investment of large amounts of foreign capital in American securities. In contrast to this the United States exports of gold for the six-months' period of 1937 amounted to \$148,000, a decrease of \$26,274,000 from the 1936 exports of \$26,423,000.

This huge inflow of gold was prevented from exerting its normal inflationary effects by the sterilization policy of the United States Treasury, whereby all imported gold was purchased by the Government with borrowed funds. In addition to the sterilization policy a further step to counteract inflationary influence was taken at the end of January when the Federal Reserve authorities voted to increase member bank reserve requirements. As a result, the excess reserves of member banks declined by \$1,080,000,000 during the first half of the year despite an increase of \$328,000,000 in total reserves.

#### BANKING CONDITIONS

Recent changes in the condition of the banks in the United States reflect the continued inflow of gold and the mid-June financing operations and income collections of the Federal Treasury. During the four weeks ending June 23 additions to the gold stock totalled \$293,000,000, increasing the stock to the record figure of \$12,270,000,000. Member bank reserves declined by \$90,000,000 during the four-week period, and was principally due to June financing and tax payments, which reflected an increase of \$71,000,000 in Treasury deposits with the Federal Reserve banks. On June 16 excess reserves amounted to \$750,000,000, the lowest figure for several years.

The banks' holdings of direct government obligations had increased \$242,000,000 for the four weeks ended June 16, while holdings of other securities declined \$87,000,000. The banks also reported an increase of \$241,000,000 in loans, of which \$136,000,000 was in commercial, industrial, and agricultural loans. The aggregate increase in loans and investments totalled \$396,000,000 and was accompanied by a rise of \$365,000,000 in government deposits and a decline of \$183,000,000 in demand deposits.

#### SECURITY OFFERINGS

The volume of security offerings for the first six months of 1937 totalled \$1,197,592,312 as compared with \$2,246,176,344 for the similar period of 1936, a decrease of \$1,048,584,032, or about 46.6 per cent. Of the total corporate financing for the six-month period of 1937, railroads issued bonds, notes, and stocks to a value of \$148,192,000; public utilities, \$553,247,694; industries, \$405,382,376; and miscellaneous corporations, \$90,770,242.

#### GOVERNMENT FINANCING

The United States Government fiscal year ended on June 30 with a deficit amounting to \$2,707,000,000. Total receipts amounted to \$5,294,000,000 and total expenditures to \$8,001,000,000. Compared with the previous year the deficit is considerably below the 1936 deficit of \$4,361,000,000. The gross public debt of the United States was thus brought to \$36,425,000,000 as against \$33,779,000,000 on June 30, 1936.



## EXPORTS TO THE UNITED STATES OF PRODUCTS UNDER THE QUOTA PROVISIONS OF THE TRADE AGREEMENT

The following table, prepared by the Canadian Trade Commissioner's office at New York from preliminary figures issued by the Treasury Department at Washington, shows the standing of the quotas provided for under the Canada-United States Trade Agreement up to July 31, 1937:—

	Total of Quota	Reduction in Duty	Amount of Quota used by Canada	Percentage of Quota used by Canada to July 31, 1937
Cattle (700 lbs. or more) ..	155,799 head	3 to 2c. per lb.	109,919 head	64.1%
Calves (less than 175 lbs.)..	51,933 head	2½ to 1½c. p. lb.	Quota filled in June	
Dairy cows . . . . .	20,000 head	3 to 1½c. per lb.	3,476 head	17.4%
Cream . . . . .	1,500,000 gal.	56¼ to 35c. per gal.	74,506 gal.	5.0%
Seed potatoes . . . . .	750,000 bus.	75 to 60c. per 100 lbs. Dec. 1 to end of Feb.; 45c. Mar. 1 to Nov. 30	607,535 bus.	81.0%
Unmanufactured lumber (Douglas fir and Western hemlock) . . . . .	250,000 M ft. b.m.	\$1 to 50c. per M ft. b.m. duty. \$3 to \$1.50 tax	77,072 ft. b.m.	30.8%
Red cedar shingles . . . . .		Free	144,409 squares	

The United States Commissioner of Customs has announced that, effective August 12, 1937, the full rate of duty under paragraph 701 of the Tariff Act of 1930 would be collected on importations of cattle weighing 700 pounds or more and not specifically provided for under the quota provisions of the Canada-United States Trade Agreement. Upon determination of the particular importations of this class of cattle which come within the quota limitation, the Collectors of Customs will be authorized to make refund of duties deposited in excess of the reduced rate provided for under Schedule II of the trade agreement.

Of the total quota of 155,799 head of cattle, 145,670 head, or 93.5 per cent, had been imported into the United States by August 9. Of this total 121,451 head were from Canada and 24,219 head from Mexico.

The figure shown in the above table for seed potatoes is for the period December 1, 1936, to the end of July, 1937, as the potato quota begins on December 1 each year, whereas all other quotas are dated from the first of the year.

The amount of the quota on red cedar shingles used by Canada, as shown in the foregoing table, represents the total shipments from July 1 to July 31, 1937. The Canadian quota for red cedar shingles for any half year is limited to 25 per cent of the combined total of the shipments of red cedar shingles by United States producers and imports during the preceding half-year. The quota for the latter half of 1937 has not yet been established. Shipments by United States producers for the first six months amounted to 2,527,329 squares, and imports from Canada for the same period, 1,035,833 squares. It will thus be seen that the quota for the last six months of 1937 may be placed at a total slightly under 900,000 squares.

CANADA'S DOMESTIC EXPORTS TO THE UNITED STATES OF PRINCIPAL COMMODITIES AFFECTED BY THE CANADA-UNITED STATES TRADE AGREEMENT  
EFFECTIVE FROM JANUARY 1, 1936; ALSO UNITED STATES TARIFF RATES IN FORCE. (MONTH OF JULY AND THE SEVEN MONTHS ENDED  
JULY 31, 1936 AND 1937)

(COMPILED BY THE EXTERNAL TRADE BRANCH, DOMINION BUREAU OF STATISTICS; AND THE FOREIGN TARIFFS DIVISION)

Commodities	Month of July				Seven Months ended July				United States Tariff	
	1936		1937		1936		1937		1935	Canada-United States Trade Agreement (Jan. 1, 1936)
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value		
		\$		\$		\$		\$		
AGRICULTURAL AND VEGETABLE PRODUCTS										
Fruits—										
Apples, green or ripe.....Brl.	2	11			264	1 207	672	3,163	25c. per bu. 50 lbs.	15c. per bu. 50 lbs.
Strawberries, fresh.....Lb.	603,635	50,495	1,132,507	77,380	621,887	52,391	1,376,366	92,306	14c. per lb.	4c. per lb.
Grain products—										
Bran, shorts and middlings.....Cwt.	412,791	413,758	147,359	177,068	1,464,709	1,251,961	1,415,977	2,121,679	107% ad val.	107% ad val.
Cereal foods, prepared, all kinds.....Cwt.	3,323	3,323			42,515	42,515		42,515	107% ad val.	107% ad val.
Screenings.....Cwt.	173,004	64,946	109,146	62,155	371,985	134,498	533,544	433,015	107% ad val.	107% ad val.
Hay.....Ton	1,951	9,456	2,686	17,493	5,591	33,191	131,135	835,896	\$5 per ton (2,000 lbs.)	\$3 per ton (2,000 lbs.)
Maple sugar.....Lb.	204,720	23,416	957,373	137,800	3,996,438	674,795	1,572,967	227,028	6c. per lb.	4c. per lb.
Seeds—										
Clover seed, alfalfa.....Bush.			435	5,978	935	10,417	21,660	297,599	8c. per lb.	4c. per lb.
Clover seed, alsike.....Bush.			1	1	313	2,919	15,343	157,481	8c. per lb.	4c. per lb.
Grass seed.....Bush.	99	206	292	668	55,270	60,190	36,021	94,050	2c. per lb.	1c. per lb. (mainly timothy)
Vegetables—										
Certified seed potatoes (a).....Bush.	802	727	1,110	1,126			312,175	331,620	75c. per 100 lbs.	45c. per 100 lbs., Mar. 1 to Nov. 30, if certified seed; 60c. per 100 lbs., Dec. 1 to last day of Feb., if certified seed; 75c. per 100 lbs. on imports of certified seed in excess of 750,000 bu. during each twelve-month period, beginning Dec. 1, in any year.
Potatoes, n.o.p. (b).....Bush.	90,264	96,912	163	125			325,513	237,041	75c. per 100 lbs.	75c. per 100 lbs.
Turnips.....Bush.	7	3			1,171,554	365,430	1,046,017	335,902	25c. per 100 lbs.	12½c. per 100 lbs.
Whiskey.....Pt. gal	326,471	1,365,711	304,594	1,203,360	2,332,805	11,051,557	2,664,099	10,139,906	\$5 per pt. gal.	\$2.50 per pt. gal. if aged in wooden containers for at least four years; \$5 per pt. gal. if otherwise.
ANIMALS AND ANIMAL PRODUCTS										
Animals living—										
Dairy cattle, n.o.p.—										
Weighing 175 to 700 lbs. (a).....No.	57	2,393	11	322	4,289	255,946	103	3,879	2½c. per lb., 175 to 700 lbs.	2½c. per lb., 175 to 700 lbs.
Weighing over 700 lbs. (a).....No.	637	42,555	338	22,724			3,306	199,510	3c. per lb. if over 700 lbs.	1½c. per lb. if over 700 lbs.
										3c. per lb. if over 700 lbs. on imports in excess of 20,000 head during any calendar year.



Cattle, n.o.p.— Weighing less than 175 lbs. (a).....No.		14, 149	202, 029	13, 904	202, 737		71, 300	1, 308, 876 2½c. per lb., if less than 175 lbs.	1½c. per lb., if less than 175 lbs.
Weighing 175 to 700 lbs. (a).....No.		2, 201	29, 424	2, 470	49, 888	174, 773	3, 788	85, 550 2½c. per lb., if 175 to 700 lbs.	2½c. per lb., if less than 175 lbs. on imports in excess of 51,833 head during any calendar year.
Weighing over 700 lbs. (a).....No.		7, 058	299, 500	22, 383	1, 573, 707		107, 948	7, 398, 812 3c. per lb., if over 700 lbs.	3c. per lb., if over 700 lbs., on imports in excess of 158,799 head during any calendar year.
Horses, n.o.p.....No.		1, 167	150, 538	874	115, 792	13, 821	1, 889, 005	1, 064, 572 \$20 per head, if valued at not more than \$150; 20% ad val. if valued more than \$150.	\$20 per head, if valued at not more than \$150; 20% ad val. if valued more than \$150.
Poultry, n.o.p.....No.		55, 633	28, 171	80, 942	40, 453	178, 311	98, 179	191, 442 8c. per lb., if chickens, ducks, geese, turkeys, and guineas.	4c. per lb., if chickens, ducks, geese, turkeys, and guineas.
Fish, fresh and frozen—									
Clams, fresh.....Cwt.		4, 090	6, 409	2, 842	5, 270	26, 687	27, 585	44, 278 Free.....	Free.
Eels, fresh and frozen.....Cwt.		4, 155	6, 824	2, 044	1, 113	1, 029	1, 138	7, 045 1c. per lb.....	1c. per lb.
Halibut, fresh and frozen.....Cwt.		5, 301	44, 365	6, 100	58, 135	26, 626	23, 407	274, 260 2c. per lb.....	2c. per lb.
Herring, sea, fresh and frozen.....Cwt.		11, 639	49, 677	22, 636	31, 773	42, 524	158, 152	75, 692 Free.....	Free.
Salmon or lake trout, fresh and frozen.....Cwt.		4, 808	47, 050	5, 693	61, 539	15, 751	162, 806	208, 680 1c. per lb.....	1c. per lb.
Lobsters, fresh.....Cwt.		15, 354	269, 355	14, 023	270, 352	76, 394	1, 450, 574	1, 874, 884 Free.....	Free.
Oysters, fresh.....Cwt.		11, 176	131, 977	8, 306	114, 370	32, 862	358, 442	326, 473 2c. per lb.....	1½c. per lb.
Salmon, fresh and frozen.....Cwt.		11, 176	131, 977	8, 306	114, 370	32, 862	358, 442	342, 478 Free.....	Free.
Smelts, fresh and frozen.....Cwt.		2, 623	35, 232	2, 092	29, 943	64, 075	621, 094	34, 433 2c. per lb.....	1½c. per lb., if not frozen;
Swordfish, fresh and frozen.....Cwt.									3c. per lb., if frozen.
Tulibee, fresh and frozen.....Cwt.		4	53	2	34	14, 839	88, 304	32, 192 1c. per lb.....	2c. per lb.
Whitefish, fresh and frozen.....Cwt.		9, 629	116, 026	9, 214	123, 761	69, 931	761, 593	891, 613 1c. per lb.....	2c. per lb.
Fish, pickled, salted, and smoked—									
Alewives, salted.....Cwt.		100	188			1, 271	2, 627	44 1½c. per lb., net weight.....	1½c. per lb., net weight.
Herring, sea, smoked.....Cwt.		1, 036	3, 065	431	1, 949	8, 959	30, 974	21, 077 3c. lb., if boned; 1½c. per lb., not boned.....	1½c. lb., if boned; 1½c. per lb., not boned.
Salmon, pickled.....Cwt.		437	5, 746			637	7, 478	15 25% ad val.....	20% ad val.
Fish, canned—									
Clams, canned.....Cwt.		2	23			4	53	106 28% ad val., if razor clams; 35% ad val., if other kinds.....	15% ad val., if razor clams; 35% ad val., if other kinds.
Lobsters, canned.....Cwt.		1, 134	70, 819	1, 154	70, 252	3, 162	192, 627	178, 518 Free.....	Free.
Fur skins, undressed—									
Beaver.....No.		5, 214	67, 563	6, 690	95, 470	23, 620	290, 104	450, 424 Free.....	Free.
Mink.....No.		48, 352	3, 435	36, 043	36, 043	90, 825	1, 092, 017	877, 131 Free.....	Free.
Muskrat.....No.		20, 523	30, 977	37, 938	51, 957	208, 955	311, 609	247, 091 Free.....	Free.
Wolf.....No.		3, 171	36, 067	2, 889	35, 638	39, 534	334, 943	382, 455 Free.....	Free.
Leather—									
Harness leather.....			335				1, 740	1, 855 12½% ad val.....	10% ad val.
Patent leather.....			14, 841		767		63, 025	46, 728 15% ad val.....	10% ad val.

(a) Not separately shown prior to April 1, 1936.

(b) Includes "certified seed potatoes" prior to April 1, 1936.

## CANADA'S DOMESTIC EXPORTS TO THE UNITED STATES OF PRINCIPAL COMMODITIES, Etc.—Concluded

Commodities	Month of July				Seven Months ended July				United States Tariff	
	1936		1937		1936		1937		1935	Canada-United States Trade Agreement (Jan. 1, 1936)
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value		
<b>Meats—</b>		\$		\$		\$		\$		
Poultry, dressed or undressed.....Lb.	43,032	11,280	4	1	139,444	35,173	224	55	10c per lb.	6c. per lb., if chickens and guinea; 10c. per lb., if other poultry.
<b>Milk, products—</b>										
Cheese.....Cwt.	18,208	246,700	1,301	25,374	53,873	723,404	27,813	423,654	7c. per lb., but not less than 25% ad val., if cheddar cheese in original packages; 7c. per lb., but not less than 35% ad val., if other kinds of cheese.	5c. per lb., but not less than 25% ad val., if cheddar cheese in original packages; 7c. per lb., but not less than 35% ad val., if other kinds of cheese.
<b>Cream.....Gal.</b>	360	540	15,008	25,413	6,156	8,358	58,689	101,473	56-6/10c. per gal.	35c. per gal. on imports in excess of 1,500,000 gals. during any calendar year.
<b>Whale oil.....Gal.</b>	177,882	44,352	260,001	72,540	256,541	64,310	360,243	100,521	5c. per gal.	24c. per gal.
<b>Wood, Wood Products and Paper</b>										
Shingle bolts of pine or cedar.....Cord			45	143	78	322	509	1,782	Free.	Free.
Shave and other bolts, n.o.p.....Cord			6,466	30,555	38,224	126,603	27,748	637	10% ad val.	10% ad val.
Firewood.....M.	4,770	23,235	36,892	154,084	119,862	376,782	157,719	143,038	Free.	Free.
Laths.....M.	28,903	100,817	16,185	216,182	35,076	379,903	51,652	639,395	Free.	Free.
Logs.....M.	4,873	44,059						675,239	Free.	Free.
Slats and spars.....M.								314	\$1 per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.	50c. per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.
<b>Pickets.....M.</b>	1,362	9,554	2,170	12,560	3,313	22,098	17,898	135,690	Free.	Free.
<b>Piling.....Lin. ft.</b>	103,863	5,424	56,153	4,197	280,498	20,448	191,955	14,126	\$1 per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.	50c. per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.
<b>Planks and boards—</b>										
Flooring of hardwood.....M ft.	84	4,113	226	15,887	297	14,678	1,955	77,998	8c. ad val., if fir, spruce, pine, hemlock or larch; \$3 per M ft. b.m. Revenue Tax if fir, pine, hemlock or larch; free, if other kinds of wood, but subject to \$3 Revenue Tax per M ft. b.m.	47% ad val., if fir, spruce, pine, hemlock or larch; 5c. per M ft. b.m. and \$1.30 per M ft. b.m. Revenue Tax if fir, spruce, pine, hemlock or larch; (a) kinds of wood, but subject to \$1.50 Revenue Tax per M ft. b.m.
Planks and boards, softwood.....M ft.	47,793	1,085,159	42,787	1,200,394	295,681	6,493,912	296,656	8,119,707	\$3 per M ft. b.m. Revenue Tax if fir, spruce, pine, hemlock or larch; free, if other kinds of wood, but subject to \$3 Revenue Tax per M ft. b.m.	\$1.50 Revenue Tax per M ft. b.m.
<b>Plants and boards, hardwood, n.o.p...M ft.</b>	3,715	130,344	4,383	180,940	17,477	604,554	30,370	1,250,161	Free, but subject to \$3 per M ft. b.m. Revenue Tax.	Free, but subject to \$1.50 Revenue Tax per M ft. b.m.
<b>Poles—</b>										
Telegraph and telephone.....No.	38,794	105,444	53,793	159,981	130,452	361,594	212,350	618,333	Free.	Free.
Other poles.....No.		4,468	59,074	5,430	38,033	28,392	580,156	23,904	Free.	Free.
Posts, fence.....No.	33,073	1,468	196,798	1,647,638	339,950	3,052,792	579,125	49,031	Free.	Free.
Pulpwood.....Cord	79,927	1,468	196,798	1,647,638	339,950	3,052,792	579,125	5,045,660	Free.	Free.
Railroad ties.....No.	34,303	92,025	3,218	12,776	1,145,316	2,967,338	1,263,641	3,590,678	Free.	Free.
Shingles.....Square	215,718	538,553	173,247	489,134	1,145,316	2,967,338	1,263,641	64,838	Free, if staves; 33% ad val. if headings.	Free, if staves; 33% ad val. if headings.
Staves and headings.....		1,756		4,544		7,710				



Timber, square, softwood.....	M ft.	702	11,184	112	3,135	3,895	61,159	1,099	27,415	\$1 per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.
Timber, square, hardwood.....	M ft.	1	24			1	41	8		
Wood, pulp.....	Cwt.	1,055,988	2,142,223	1,184,245	2,887,301	7,071,207	14,526,588	8,719,046	19,753,028	Free.
Paper—Newsprint.....	Cwt.	3,561,711	6,102,086	4,834,375	8,837,412	25,809,332	44,691,320	32,081,024	58,343,339	Free.
<b>IRON AND ITS PRODUCTS</b>										
<b>Farm implements—</b>										
Cultivators.....	No.	7	1,395	3	277	1,375	101,193	360	15,354	Free.
Drills.....	No.	21	1,945	88	10,187	361	37,978	424	47,122	Free.
Harrows and parts.....	No.		140		11,757		42,481		76,325	Free.
Harvesters and binders.....	No.	34	5,016	216	38,295	707	137,720	1,363	252,713	Free.
Hay rakes.....	No.	43	1,816	32	1,431	152	4,933	162	5,879	Free.
Mowers and reapers.....	No.	39	2,158	0	1,914	508	29,482	210	11,914	Free.
Ploughs and parts.....	No.		40,740		43,113		275,035		425,363	Free.
Reaper threshers.....	No.	21	25,222	18	19,472	162	178,723	303	234,009	Free.
Parts of farm implements, n.o.p.....	No.		26,468		73,734		376,775		406,005	Free.
Ferro-silicon.....	Ton	365	3,601	1,108	22,858	3,080	65,339	7,894	154,055	2c. per lb. on silicon content.
<b>Ferro-manganese and other ferro-alloys,</b>										
n.o.p.....	Ton	6,342	171,916	4,477	220,949	21,334	557,803	16,421	750,804	1½c. per lb. on manganese content.
<b>Skates.....</b>										
Pair.....	Pair	9,379	7,155	2,584	3,881	131,997	81,892	52,607	34,402	20c. ad val.
<b>Non-Ferrous Metals and Products</b>										
Cobalt in ore.....	Cwt.	169	9,179	96	6,333	629	33,685	331	21,350	Free.
Nickel in matte or speiss.....	Cwt.	8,170	147,021	10,037	180,659	65,286	1,175,158	\$2,276	1,480,299	Free.
Nickel in oxide.....	Cwt.	448	9,635	1,077	20,585	8,288	162,724	14,419	288,752	Free.
<b>Non-Metallic Minerals and Products</b>										
Abrasive, artificial, crude.....	Cwt.	114,574	321,957	197,397	571,806	816,743	2,083,375	1,211,140	3,180,607	Free.
Asbestos.....	Ton	6,819	326,304	8,998	545,515	39,716	2,108,612	53,735	2,971,785	Free.
Asbestos sand and waste.....	Ton	11,324	187,060	14,440	240,193	67,283	1,083,105	109,633	1,849,584	Free.
Feldspar.....	Ton	2,023	12,816	2,139	14,658	5,221	34,792	12,294	96,684	50c. per ton, if crude.
Gypsum, crude.....	Ton	67,741	81,763	108,707	124,312	169,463	197,543	335,050	369,837	Free.
Lime.....	Cwt.	18,521	7,955	21,581	9,652	122,609	51,445	121,161	30,805	Various.
Talc.....	Cwt.	17,150	8,366	10,749	5,296	97,398	48,678	87,574	43,478	35c. ad val.
<b>Chemicals and Allied Products</b>										
Acetic acid.....	Cwt.	21,038	112,581	23,086	123,513	152,427	821,442	246,213	1,319,714	2c. per lb., if over 65%.
Cobalt oxides and cobalt salts.....	Lb.			45,190	57,532			64,770	82,138	30c. per lb. if oxides; 30c. ad val. if salts.
Cyanamid.....	Cwt.	79,773	78,247	140,004	149,433	1,558,717	1,618,498	2,001,719	2,220,580	Free.
Sulphuric acid.....	Cwt.	1,271	1,325	1,988	1,203	9,614	6,836	16,473	10,379	Free.
<b>Miscellaneous Commodities</b>										
Organs.....	No.					2	6,793	8	16,261	35c. ad val.
Total exports of above commodities.....			17,514,178		23,147,411		116,011,346		147,390,262	
Total domestic exports to United States.....			29,517,464		40,354,377		196,353,479		271,124,289	

(a) Reduced rates not applicable to imports of Douglas fir or Western hemlock in any calendar year in excess of an aggregate quantity of 250,000,000 feet, board measure.

## FRESH BLUEBERRY MARKET CONDITIONS IN NEW YORK

W. D. WALLACE, OFFICE OF THE TRADE COMMISSIONER

New York, August 16, 1937.—In comparison with 1936 there is a better demand for blueberries, particularly the better grades, on the New York wholesale market this season, despite the fact that supplies are greater, especially from surrounding states. Wholesale prices are, however, below those of last season.

### DEMAND

The hotel and restaurant trades have been taking the choice grades of the blueberry crop, which includes all the cultivated blueberries available. Chain and other grocery stores have provided a good outlet for the medium berries, while the pie bakers are taking the poorer grades, which they can purchase at extremely low prices. Produce dealers are of the opinion that the demand from these sources will be maintained for the remainder of the season unless blueberry shipments from the northern sections should prove to be of poor quality.

### SUPPLY

Up to the present the principal sources of supply of fresh blueberries this season have been the States of Pennsylvania, New Jersey, Delaware, and Maryland, but blueberries will be available from these sources for only about another week. Last year these states had practically no crop, as weather conditions were unfavourable. Massachusetts has had a good crop this season, and the berries from this state will continue to come into the New York market for another fourteen days. Maine blueberries are now entering this market, the first shipments having been of a small variety, and indications are that this state will have a fair crop. The season for Canadian blueberries on this market is just beginning; a few shipments have been received, principally from Nova Scotia and New Brunswick.

### PRICES

The general level of prices for fresh blueberries during the current season has been under that of last year. This is attributed to the fact that the blueberry crops in Pennsylvania, New Jersey, Delaware, and Maryland have been very plentiful, whereas last season these states had very few berries with which to supply this market.

The present low prices for local berries are expected to keep northern berry prices below the levels of last year for the remainder of this season. However, with the crops of Pennsylvania and neighbouring states about exhausted, prices may rise one to two cents a quart above present quotations.

The price range for blueberries, delivered New York, as of August 16 is as follows: Pennsylvania, 10 to 15 cents per quart; Delaware and Maryland, 10 to 12; New Jersey, 12 to 16; Massachusetts, 18 to 22; Maine, 18 to 20; Nova Scotia, 15 to 22; New Brunswick, 12 to 17 cents per quart.

Cultivated berries from New Jersey are selling at from 25 to 40 cents per quart and 20 to 25 cents per pint.

With the present good crop conditions the fresh fruit dealers do not expect that the price of northern blueberries will rise more than one to two cents per quart above present quotations.

### CANADIAN SUPPLIES

Canadian blueberries are now arriving on the New York market, and some of the early supplies from Nova Scotia have been selling for 16 cents per quart



while the better grades are bringing around 20 cents and as high as 22 cents. New Brunswick berries have been sold for as high as 17 cents for the better grades, but early reports are that certain quantities have arrived in a "wet" condition, possibly owing to heavy rains during the growing season, and are selling at from 6 to 8 cents per quart. The chief sources of competition for Nova Scotia blueberries are the States of Maine and Massachusetts. However, Canadian berries are usually of a better quality and thus bring a slightly higher price.

### PACKING AND DUTY

The majority of fresh blueberries entering the New York market are in crates holding 32 quart containers. These containers are principally small wooden boxes, the tops being covered with cellophane. Some shippers use quart containers made of wax paper.

The United States customs duty on fresh blueberries from Canada is  $1\frac{1}{4}$  cent per pound.

### TRADE COMMISSIONERS ON TOUR

The following Canadian Trade Commissioners are now on tour in the Dominion: Mr. J. H. English, London, England; Mr. F. W. Fraser, Kingston, Jamaica (whose territory covers Jamaica, Haiti, the Bahamas, and British Honduras); Mr. G. R. Heasman, Cape Town, South Africa (whose territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar); and Mr. L. S. Glass, Rio de Janeiro, Brazil. Their itineraries are as follows:—

#### Mr. English

Vancouver and Victoria	Aug. 30 to Sept. 20	Winnipeg	Sept. 27 and 28
Vernon	Sept. 22	Fort William	Sept. 29
Kelowna	Sept. 23	Ottawa	Oct. 1 to 8
Calgary	Sept. 24		

#### Mr. Fraser

Digby, Yarmouth, and Carleton	Aug. 30	Truro and Pictou	Sept. 8
Lockeport, Liverpool and South Brookfield	Aug. 31	Charlottetown	Sept. 9 and 10
New Germany, Lunenburg, Bridgewater and Mahone Bay	Sept. 1	Port Elgin, Amherst and Sackville	Sept. 11 to 13
Halifax	Sept. 2 to 4	Sussex and Fredericton	Sept. 14
Stewiacke and Kentville	Sept. 7	Grand Falls	Sept. 15
		Quebec	Sept. 16 and 17
		Grand'Mere and Terrebonne	Sept. 18
		Montreal	Sept. 20 to Oct. 9

#### Mr. Heasman

Ottawa	Sept. 16
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#### Mr. Glass

Montreal	Aug. 30 to Sept. 8	Ottawa	Sept. 27
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Firms who wish to be brought in touch with the Trade Commissioners should communicate, for Vancouver and Winnipeg, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres with the respective Board of Trade or Chamber of Commerce.

## FRUIT PULP MARKET IN THE UNITED KINGDOM

W. B. GORNALL, CANADIAN FRUIT TRADE COMMISSIONER

London, July 30, 1937.—Of the many kinds of fruits and fruit products entering the United Kingdom, supplies for jam making form a not inconsiderable part of the total imports. The general practice followed by the jam manufacturer, occasioned by intermittent and fluctuating demand for particular types of jam, does not permit of raw fruit in the fresh state being used extensively at any one time. Also the shortness of the season for small and tender fruits, which enter so largely into the manufacture of jam, renders it impracticable to make use of large supplies as soon as they are available, and consequently a method for holding the fruit until such time as it may be required has been found essential. A quick, effective, and cheap method of holding fresh fruit, even for lengthy periods, is provided by the sulphur-dioxide process.

The use of sulphur dioxide as a preservative is strictly controlled, and government health regulations do not permit the use of more than 2,000 parts of SO<sub>2</sub> to one million parts of raw fruit. It is a volatile substance and is driven off from the fruit during the cooking process, only a very faint trace remaining.

For the reasons outlined above there is a fairly extensive market in the United Kingdom for raw fruit preserved in SO<sub>2</sub>, and total imports approximate 1,000,000 cwts. annually. The principal fruits in demand are strawberries, apricots, black currants, and citrus. Raspberries, loganberries, gooseberries, and red currants may also be included, but the volume is small.

### STRAWBERRIES

The strawberry is the most important of these fruits as far as Canada is concerned. Total imports into the United Kingdom of this variety, preserved without sugar, for the four-year period 1933-36 were as follows:—

	1933 Cwts.	1934 Cwts.	1935 Cwts.	1936 Cwts.
Canada . . . . .	.....	1,200	13,200	4,374
Holland . . . . .	209,300	132,000	184,997	184,620
Other countries . . . . .	12,000	6,600	11,004	33,962
Total . . . . .	221,300	139,800	209,201	222,956

Imports for the current year continue at approximately the same rate as in previous years, and for the first five months totalled 40,808 cwts.

The chief source of supply is Holland. Export prices are quoted f.o.b. Rotterdam, containers extra. Values fluctuate daily, being mainly dependent upon the volume of fresh fruit offered on the auction markets and the quality of the berry for jam purposes.

It is the usual practice for United Kingdom manufacturers of jam to send their own containers to Rotterdam to be filled with the processed fruit. These containers consist largely of oak barrels previously used in the oleo oil trade, the size preferred being the 50-gallon barrel, which contains approximately 350 pounds of fruit.

The processed fruit, purchased f.o.b. Rotterdam, casks extra, entails considerable expenditure before delivery to the buyer in the United Kingdom. The f.o.b. cost is based on the gross weight of the contents of the barrel including water and preservative, the freight is charged on the gross weight of the container, and the duty at £9 per ton is chargeable on the gross weight of the contents. Allowing for these various factors, the cost per ton of actual fruit delivered United Kingdom duty paid is from £14 to £15 higher than the quotation f.o.b. Rotterdam. Thus berries quoted £20 per ton f.o.b. Rotterdam, casks



extra, would cost about £35 per ton of actual fruit delivered duty paid to the buyer in the United Kingdom.

#### DOMESTIC PRODUCTION

The United Kingdom provides a considerable tonnage of fresh strawberries for jam purposes, many acres being cultivated under contract with the manufacturers. Generally speaking, the price is somewhat higher than for the imported processed fruit, and purchases are f.o.b. the farm. Unless the quantity of fruit delivered daily is greatly in excess of the capacity of the factory, all supplies are immediately turned into jam, and it is rarely necessary to hold surplus fruit by treating it with  $\text{SO}_2$ . The local supply of strawberries is a considerable factor in the jam trade, but apart from contracts the volume is indefinite and dependent upon demand in the fresh fruit market.

#### IMPORTS FROM CANADA

The United Kingdom market for processed strawberries has been of varying interest to Canadian processors during the past few years. The movement from Canada (British Columbia) commenced in 1934 and for that year amounted to only 1,500 cwts. The failure of the English fruit crop in 1935 and the more or less unsatisfactory conditions in Holland resulted in a considerable increase in strawberry values, with the result that with the opening of the strawberry season that year shipments from Canada increased to 13,200 cwts. The movement continued into 1936, when 4,374 cwts. were shipped up to the opening of the strawberry season, but a considerable drop in values then developed, resulting in the cessation of shipments from British Columbia.

Considerable interest in the processed strawberry market has been shown during the past two years by the Maritime Provinces. A test shipment from Nova Scotia in 1936 proved to be of excellent quality for jam purposes and sold at top market values. New Brunswick and Prince Edward Island are likewise interested, and test shipments will likely be made from these provinces during the present season.

#### MARKET PROSPECTS

The prospects for marketing Canadian processed strawberries in the United Kingdom are quite satisfactory from the viewpoint of the quality of the fruit. Experience with shipments during the past three years indicates that the Canadian strawberry is quite suitable for jam purposes, and prices being competitive with foreign and home supplies, a market seems to be assured. Values, however, are of paramount importance, and while the Canadian product enjoys a tariff protection equal to £9 or about \$44 per long ton, the relative value of the fresh fruit market in Canada appears to require the export market to be near the highest price the trade is capable of paying.

By careful attention to processing costs, type and kind of container, etc., it may be possible for Canadian exporters to maintain continuity of supply of processed strawberries to the United Kingdom on a competitive basis with foreign countries and thus obtain a part of the market, estimated at 200,000 cwts. annually.

#### PEACH PULP

Another avenue for export trade that may prove of interest is sulphured peach pulp. At the present time there is a very limited market for peach jam; it is not manufactured in the United Kingdom, but small quantities are imported from Australia and Canada.

There is, however, a good demand for apricot jam, and large quantities of sulphured apricots are imported annually, mainly from Spain. Apricot jam

sells at a lower price level than other types such as strawberry, raspberry, etc., and it is only by offering peach jam on a competitive basis with apricot that there can be any expectation of developing worthwhile demand. Likewise there is little or no possibility of creating a demand for peach pulp unless it can be offered on a basis competitive with apricot pulp.

An effort has been made to introduce frozen peach pulp on the British market, but while the product gave every satisfaction to the manufacturer and produced an excellent jam, the pulp could not be offered at a price sufficiently low to attract the manufacturer.

### FROZEN FRUIT PULP

There is little opportunity at the present time to develop a market for frozen fruit pulp. The success attained by pulp processed with  $\text{SO}_2$  and the ease and cheapness with which such sulphured pulp can be held and stored for long periods, compared with the heavier cost of cold storage and transportation necessary to holding frozen pulp, rendered the sulphured product much more economical and attractive. The sulphured pulp or the solid pack in gallon cans are preferred on account of lower cost; frozen fruit, while it may give superior results, could only find demand if offered at competitive prices and delivered in quantities suitable for immediate consumption, thereby avoiding storage charges.

Concerning the future market in the United Kingdom for fruit pulp, the demand of the jam manufacturers for supplies is expected to remain fairly constant, and Canada's share will depend largely on ability to quote prices competitive with those of foreign supplies.

## MARKET FOR PAPER SERVIETTES IN THE SOUTH MIDLANDS

E. L. MCCOLL, CANADIAN TRADE COMMISSIONER

Bristol, August 4, 1937.—There is a growing market in the South Midlands for paper serviettes. Those on the market are of several qualities and in two varieties of finish. One is a tissue absorbent on both sides, while the other is absorbent on one side only, the other being glazed to add strength to its texture.

### BULK TRADE

The dining-room service of railways and large multiple restaurants buy a plain white serviette of crepe tissue about 14 inches square, packed flat (not folded) in bundles of from 10,000 to 50,000. Some of these important buyers, however, prefer packages of 10,000 to those of larger size. There is a growing trend towards the installation by factory managements of modern and well-equipped kitchens and restaurants. Factories with such arrangements use from 500,000 to 2,000,000 serviettes a year, depending upon the number of employees. Railways and large restaurants each use several times that quantity. Brewers buy serviettes for distribution among bars and cafés as advertising background. The quality is perhaps a little better than that generally found at such places. Manufacturers may be asked both by advertisers and large consumers to furnish the serviettes already imprinted.

### RETAIL TRADE

Serviettes are wrapped in cellophane for sale by retail shops. The lowest-priced quality is plain white, in lots of 100, folded over twice (altogether, not



separately) to make an oblong three-ply package 6 inches by 14 inches. The parcel sells for 6d. retail. The next in quality, with the same form of wrapping, comprises 70 to 80 serviettes in tinted self colours, some packages having straight and others scalloped or pinked edges. The price is also 6d. With this class of goods it is found to be more advantageous to decrease the quantity of serviettes rather than to increase the price. Next in order are plain white serviettes, each quarter being folded artistically and wrapped in cellophane. These packaged serviettes are for private or home consumption, but they are also sold in bulk to hotels and restaurants. As the quality improves in this class of trade the number of serviettes decreases from 100 in a package to 18 for 6d. A serviette in six colours is offered for sale in two forms of packaging: quarter-fold, 7 inches by 7 inches, cellophane wrapped, no cardboard stiffening, and containing only 18 serviettes; it is sold at 6d. The other form of package contained 40 serviettes folded twice in one direction (altogether, not separately) to make an oblong parcel about 6 inches by 14 inches; this package sold for 1s. Another class of package containing from 100 serviettes down to 50 is of cardboard with two-thirds of the top cut away. Although the price is 1s., there is a good demand for this package for seaside and other outdoor excursions.

Of the serviettes sold to the public from shop counters approximately 40 per cent is of the cheapest quality. The 50's to 60's to the sixpenny package, each serviette quarter folded, account for another 50 per cent, and the remaining 10 per cent is of the more expensive varieties. The first 90 per cent are not in cartons, being wrapped in cellophane only.

#### TREND IN MATERIAL AND COLOUR

While serviettes are made from both crepe and glazed-one-side tissue, quality varies. The practice has been to use a glazed paper, but the trend is now towards the more absorbent variety. Plain serviettes of good quality do not sell at their full value when they are offered along with those of attractive designs in bright colours.

#### SOURCES OF SUPPLY

Before the advent of tariff protection Austrian firms had the bulk of this trade. One or more of these foreign manufacturers have established plants in England. Wholesale houses, railways, and a few of the multiple shop or chain-store organizations buy direct from the English manufacturers and to a limited extent from agents who represent foreign firms.

#### OPPORTUNITIES FOR CANADIAN FIRMS

Canadian manufacturers desirous of entering the United Kingdom market for paper serviettes should prepare a range of samples for submission to the trade. It must be emphasized that cellophane wrapping cannot be made too attractive. Importance is attached to bright colours, attractive designs which are changed frequently and, of course, quality of paper and price. All these points are of almost equal value, that of price being most important. Although some ten firms in the United Kingdom are manufacturing this product, there is a considerable quantity imported from foreign sources, and it should be possible for Canadian firms to obtain a part of that overseas trade. Information respecting prices and duties is available to interested Canadian exporters on application to the Department of Trade and Commerce, Ottawa (quoting file No. 21476).

## INDUSTRIAL CONDITIONS IN THE WEST OF ENGLAND

L. H. AUSMAN, ASSISTANT TRADE COMMISSIONER

Bristol, August 9, 1937.—Continued improvement in the building, food, furnishing, and engineering industries in the West of England has resulted in a gradual reduction in the number of totally unemployed registered in the area of the Bristol Employment Exchange. On June 21, 1937, the figure stood at 12,894, a decrease of 4,438 since twelve months ago. Seasonal activity in the preserve manufacturing section of the food industry and a continued demand from the hotel and catering trades have been responsible for a decrease during the past month in the women's register, while juvenile employment has been better in the distributive trades, aircraft, and chocolate manufacturing industries.

### ENGINEERING INDUSTRY

The constructional and general sections of the engineering industry maintain a comparatively high degree of activity, and in the aircraft section the demand for skilled workpeople continues to exceed the supply. Local engineers have to some extent been handicapped by a shortage of raw materials, but in spite of this most of them are working at full pressure. Several firms have found it necessary to extend their plants, and in some cases to purchase new sites in order to cope with increased orders. The decision of the Bristol Corporation to substitute motor buses for trams will necessitate the construction of a large number of single- and double-decker buses within the next two years.

### BUILDING

Although several large building contracts have recently been completed in and around Bristol, most of the men who as a consequence were discharged have been absorbed on other jobs. The demand for labour during the past month or more has been sufficient to cause a decrease in the register of unemployed despite the fact that work on some contracts has been considerably retarded owing to lack of material. New buildings, both residential and commercial, are being erected in large numbers. It has recently been announced that 2,000 houses will shortly be erected on an extensive housing estate near Bristol, adjoining the new aeroplane factory at Filton. These houses, which will sell at prices ranging from £495 to £555, will include electric refrigerators, washing machines, stoves, and fires. An extensive list of warehouse and mill alterations have recently been approved by the Bristol Planning and Public Works Committee.

### PUBLIC WORKS

City and county councils throughout the West of England are continuing to embark on projects which give employment and absorb raw materials, thus contributing to the revival of general trade conditions throughout the territory. These projects include, among others, airport extensions, street and road improvements, municipal and county buildings, flood prevention schemes, slum clearance, and schools.

The Bristol Corporation Electricity Department in a recent report showed a gross profit of £409,568 for the year ended March 31, the increased number of units sold being 36,824,756, or 18 per cent more than the previous year. The number of consumers was 89,779, an increase of 8,847.

### TRADE OF THE PORT

Dock extension work at Bristol and Avonmouth is being carried out, and close consideration is being given by the Docks Committee to the improvement



and development of liner services to the port. In presenting a report to the Bristol Chamber of Commerce recently, the Chairman of the Port of Bristol Authority stated that the trade in grain, oilseeds, and feeding stuffs now exceeds 1,250,000 tons per annum, while the imports of petroleum last year amounted to 800,000 tons—an increase of approximately 40,000 tons over the previous year. Timber imports increased by 22,000 loads to 163,000 loads, the highest total since 1916. Imports of wood-pulp amounted to over 90,000 tons—an increase of 25,000 tons—while for ores of various types a record total of 85,000 tons was set up.

## **POSITION OF THE LANCASHIRE COTTON INDUSTRY**

C. B. BIRKETT, ASSISTANT TRADE COMMISSIONER

Liverpool, August 11, 1937.—An interesting survey of the present position and prospects of the cotton industry was recently published under the title "Lancashire and the Future" by the Joint Committee of Cotton Trade Organizations. Some of the more important features of the committee's report are summarized below.

### **IMPORTANCE OF THE INDUSTRY**

The survey deals first with the importance of the textile industry among British industries. It shows that although the Lancashire textile industry has passed through twenty years of difficulty it is still one of the three most important manufacturing industries in the United Kingdom. Cotton goods exports are to-day a third of what they were before the war, but are still the largest item in Britain's export trade. The Lancashire mills have successfully adapted themselves to the demand for new products. They weave the greater part of the rayon cloth produced in the United Kingdom, and have carried the use of rayon and other fibres in mixture with cotton to a much higher stage of development than the mills of any other country. Yet the total production of cotton and rayon piece-goods in 1935 was less than 3,500 million linear yards, compared with 8,000 million yards in 1912. Exports of cotton piece-goods have shrunk by nearly 5,000 million linear yards since 1912; over 70 per cent of Lancashire's pre-war export trade has disappeared, and the growth of the home market provides little compensation for such a loss.

The cotton industry is described as a group of industries, each with its own characteristic industrial and financial structure, though linked with the others by interdependent and complementary functions. Though this diversity of effort suited very well in the days when Lancashire had few, if any, serious rivals and world markets were more or less open, experience since the war has shown the weakness of the system under the double strain of contracting markets and low-wage foreign competition.

### **FACTORS AFFECTING EXPORTS**

In describing the decline in the exports of cotton goods the survey points out that the most important single factor was the loss of 85 per cent of the Indian market. From a total of 2,800 million yards of piece-goods exported to India in 1912 the figures dropped to about 380 million yards in 1936. In 1912 over one-third of the spinning and weaving mills were working for the Indian market. It is true that Japanese competition contributed to the loss of the Indian market, but at least five-sixths of it is due to the replacement of British by Indian cotton goods. Many other countries have replaced Lancashire textiles with the products of their local industries developed behind tariff barriers, notable among which are Germany, Holland, Brazil, and China. The decline in

exports to China provides a striking example—from about 480 million yards in 1913 to about 6 million yards in 1936.

Regarding the competition Lancashire has had to meet since the war, that from Japan has been by far the most constant and successful. By steadily making improvements in quality and variety of cloths, Japan has now found a place for her cotton goods in almost every market in the world. On the other hand, European and American competitors have generally confined themselves to a restricted range of cloths and to relatively few markets. While it is not possible to say exactly how far either foreign competition or the expansion of local industries has been responsible for the decline of British exports, it is estimated that two-thirds of the losses in overseas markets can be attributed to the growth of domestic industries. Japan accounts almost entirely for the remainder.

With respect to the future it is estimated that for the next two years or so the cotton industry may expect to maintain its present volume of output, but if positive measures to assist the industry are not taken in the near future a further contraction of output may be the result.

## IRISH MARKET FOR INSULATING BOARD

JAMES CORMACK, CANADIAN TRADE COMMISSIONER

NORTHERN IRELAND

Dublin, August 11, 1937.—Building operations in Northern Ireland have been extensive during the past year, particularly in urban districts. These include housing schemes for the working classes and the opening up of estates for the erection of the larger type of house valued at from £1,000 to £2,000. In Belfast a new theatre, four smaller cinemas, residential chambers for Queen's University, a new church, and two new biscuit factories have been recently completed. Improving general business indicates a continuation of these operations.

Insulating board is in good demand, and a number of Canadian manufacturers are represented by both stockists and agents. Nevertheless, inquiries for representation of additional exporters of Canadian board continue to be received. Recent Scandinavian prices seem to be too low to attract more business to Canada, despite a British preference of 20 per cent ad valorem, the tariff advantage being partly offset by cheaper freight rates and more frequent deliveries from Scandinavian ports.

Official figures of imports cannot be obtained, as wallboard and insulating board are not separately classified in the trade returns. Standard sizes—4 feet by 6, 7, and 8 feet—are in demand.

## IRISH FREE STATE

The market for insulating board in the Irish Free State is not nearly so large as in Northern Ireland, chiefly because of the greater use of lath and plaster slabs. In all work under government subsidy schemes—i.e. for schools, council houses and the like—no board is used as the regulations, in furtherance of Irish manufactures, do not permit of subsidies if any imported materials are used. Owing to a corporation regulation Dublin cinemas may not use board, but outside this city it is freely used for theatres, as well as for churches, hospitals, and other large buildings. It is estimated that last year's consumption would not be over 2,000,000 feet, valued at some £12,000. Canada normally supplies about half the total, but this year the more profitable United Kingdom market has apparently induced one large Canadian supplier to neglect this field.



The balance of the trade is divided between the United States, Finland, and Sweden. The sizes most in demand are: boards 6 to 14 feet long, 3 or 4 feet wide, and  $\frac{5}{16}$  or  $\frac{1}{2}$  inch thick. There is no tariff preference to any country on any type of insulating board, all being dutiable on import at the rate of 6d. per square yard.

Quotations should be c.i.f. Irish ports in sterling and dates of deliveries stated. Canadian firms desirous of being represented in this market are invited to communicate with the Canadian Trade Commissioner, stating agent's commission and terms of payment.

## EXPORTS OF FRUIT FROM AUSTRALIA

FREDERICK PALMER, CANADIAN TRADE COMMISSIONER

### CANNED FRUIT

Melbourne, July 21, 1937.—The canned fruit season in Australia ended officially on June 30, shipments of all classes of fruit amounting to 982,925 cases, or about 200,000 cases more than in the preceding season. Exports of canned pears accounted for 461,864 cases as compared with 255,478 cases in 1935-36, while shipments of canned peaches aggregated 418,127 cases as against 370,178 cases a year ago.

Of the total exports of canned fruits of all kinds the bulk—873,333 cases—went to the United Kingdom; Canada took 56,177 cases.

### FRESH FRUIT

Exports of fresh apples from Australia during the first six months of 1937 amounted to 4,518,773 cases, a decrease of 338,951 cases as compared with the same period of 1936. The decline is attributed to voluntary restriction of shipments to prevent overstocking in the United Kingdom market. Exports to Continental points during the period under review declined to 508,831 cases from 542,349 cases in 1936. The State of Tasmania supplied more than half of the exports of fresh apples, and the State of Victoria 717,837 cases.

The exports of fresh pears from Australia during the first half of 1937 aggregated 804,121 cases, or 176,591 cases more than in 1936. Of the 1937 exports, 764,454 went to the United Kingdom—74,336 cases more than last year. The State of Victoria contributed by far the largest share of the fresh pears exported, shipping 486,578 cases.

During the first half of 1937 a total of 100,576 cases of fresh grapes were exported, 12,287 cases more than in 1936. Of this amount, 61,745 cases were shipped from Western Australia and 13,397 cases from Victoria.

## CURRENT TRENDS IN CANADA'S TRADE WITH INDIA

PAUL SYKES, CANADIAN TRADE COMMISSIONER

Calcutta, August 4, 1937.—The latest official figures of India's foreign trade summarize the situation as at the end of June and refer particularly to the three preceding months. Over this period, from April 1 to June 30, India's imports showed a large increase, the figure of Rs.440,483,152 being greatly in excess of that for the same quarter of 1936, which amounted to Rs.299,660,571. In the case of exports the total for the second quarter of 1936, which amounted to Rs.424,290,546, has increased during 1937 to Rs.498,841,938. The general trend during the fiscal year ending on March 31, 1937, had been one of increasing exports and restricted imports, but the returns for the first quarter of the cur-

rent year appear to indicate a reversal of this movement. Exports are still in excess of import values, but the margin between them now is a comparatively small one.

#### CANADIAN TRADE WITH INDIA

For several years past imports of Canadian goods into the Indian market have been of considerably less value than exports of various Indian products to the Dominion, and it is therefore of interest to note that there has been a substantial improvement in sales of Canadian goods to this country, accompanied by a slight increase in India's exports to Canada. Comparing the situation during the period April-June, 1936, with that of 1937, India's imports from Canada increased from Rs.1,315,803 to Rs.3,172,317, whereas exports to the Dominion improved from Rs.3,539,815 to Rs.3,899,526. The percentage improvement in imports of Canadian goods was more marked than in the case of any British country and of all foreign countries except Czechoslovakia and Italy. Furthermore, in so far as this particular three-month period is concerned, the disparity between imports and exports as between the two countries is so small as to be almost negligible.

#### COMMODITIES SHOWING INCREASED VALUES

It is impossible to itemize the particular commodities which have contributed to this improved situation, since monthly and quarterly trade returns issued by the Indian Government indicate countries of origin only in the case of occasional items. The large increase in the values of imports from Canada can nevertheless be attributed largely to the trade in motor cars and trucks and to that in newsprint. Imports of Canadian passenger cars increased in value by over Rs.600,000 and of motor trucks by over Rs.500,000 during the April-June quarter of 1937 as compared with the corresponding period of the preceding year. In the case of newsprint paper, it is believed that, although Canada's position among suppliers to the Indian market is as yet a minor one, it will shortly undergo considerable improvement and that Canadian newsprint will soon compete freely with various Continental and Scandinavian papers which have hitherto enjoyed the widest distribution throughout this country.

Canadian trade to the Indian market continues to suffer from lack of variety, despite recent improvements in the sale of several important commodities. Exporters who have not as yet investigated the opportunities for the sale of their products in this territory are invited to communicate with the Canadian Trade Commissioner, Calcutta.

#### FOREIGN TRADE OF CEYLON, JANUARY TO JUNE

PAUL SYKES, CANADIAN TRADE COMMISSIONER

(One rupee equals 1s. 6d.)

Calcutta, July 21, 1937.—Returns of the foreign trade of Ceylon for the first half of 1937 verify previous indications that the colony is experiencing a decided return to more prosperous conditions than have prevailed for some years past. Total trade values for the period January to June, 1937, exclusive of those of bullion and specie, amounted to Rs.284,951,633 as compared with totals of Rs.244,666,947 and Rs.241,507,482 for the same periods of 1936 and 1935 respectively. The total value of imports has shown a comparatively small increase, but export values have improved considerably as indicated in the following table.



*Foreign Trade of Ceylon, January to June, 1935, 1936, and 1937*

	Imports	Exports
1935 . . . . .	Rs.114,091,473	Rs.127,416,009
1936 . . . . .	107,651,326	137,015,621
1937 . . . . .	118,919,292	166,032,341

## TRADE BY COMMODITIES

The increase in the half year's imports in 1937, as compared with 1936, of slightly over Rs.11,000,000 is spread over most commodity groups, but is somewhat more marked in the case of iron and steel goods, manufactured oils, fats and resins, and vehicles. In the case of exports, the bulk of the increase of Rs.30,000,000 over the total for the first half of 1936 is due mainly to a distinct improvement in the value of shipments of rubber and, to a lesser extent, to the enhanced values of exports of coconut and citronella oils and of Ceylon's principal export commodity, black tea.

## TRADE BY COUNTRIES

Practically the whole of the total increase of Rs.11,000,000 in Ceylon's import trade is credited to British countries, principally the United Kingdom and British India.

In the case of exports, increases were most noteworthy in those to the United States, the United Kingdom, Germany, and Canada. British markets accounted for Rs.9,000,000 of the Rs.30,000,000 increase over 1936 export values.

## IMPORTS FROM CANADA

Principal imports from Canada during the first half of 1937 were as follows: motor cars, Rs.68,320; motor trucks, Rs.59,423; toilet soap, Rs.51,061; rubber tires and tubes, Rs.23,606; belting other than leather, Rs.22,585; motor car parts, Rs.21,426; photographic materials, Rs.17,644; prepared cereal foods, Rs.17,438; typewriters, Rs.15,550; clocks, Rs.14,539; preserved milk, Rs.8,149; logs, Rs.7,500; silk hosiery, Rs.5,893.

The total value of imports from Canada into Ceylon during the first half of the current year was Rs.370,389, a figure which compares very favourably with that of Rs.427,760 for the twelve months of 1936.

## TRADE OF KENYA AND UGANDA, 1936

H. W. BRIGHTON, ACTING TRADE COMMISSIONER

Cape Town, July 13, 1937.—The steady improvement in the trade of Kenya and Uganda during the past three years is evidence that these two territories are successfully emerging from the period of depression. The achievement of agricultural development, with resulting commercial activity, are very satisfactory.

The value of domestic exports of the combined territories amounted to £8,354,774 in 1936 as compared with £6,608,836 for the year 1935, and was the highest total on record.

## IMPORT TRADE

Trade imports during the year amounted to £7,180,754, an increase of £631,818 over 1935, and the highest value attained since 1930. Trade prospects for 1937 appear to be bright, as it has been steady and firm. Indications are that this position will be maintained.

The total trade of the territories reached its peak in the year 1925, when it amounted to £19,752,000. During 1926 and 1927 the total trade decreased

to £16,014,000. In 1928 and 1929 it again passed the £10,000,000 mark, following which there was a steady decline down to £10,793,000 in 1932. Since that year there have been annual increases until in 1936 total trade amounted to £17,923,177.

Trade imports for the year 1936 show an increase of 10 per cent compared with the preceding year, and the value of total imports under the main statistical headings, including government stores, with relative percentages for 1935 and 1936, are as follows:—

	1935		1936	
	£	Per Cent	£	Per Cent
Food, drink and tobacco . . . . .	1,061,807	15.99	877,166	11.89
Raw materials and articles mainly unmanufactured . . . . .	388,566	5.85	458,540	6.22
Articles wholly or mainly manufactured . . . . .	4,768,251	71.79	5,497,634	74.52
Animals, not for food . . . . .	8,888	0.13	13,396	0.18
Parcel post . . . . .	294,520	4.44	293,990	3.99
Bullion and specie . . . . .	119,313	1.80	236,553	3.20
Total . . . . .	6,641,345		7,377,279	

#### COUNTRIES OF ORIGIN

The following table shows the total value of merchandise imported into Kenya and Uganda during the last three years, with the principal sources of supply:—

Countries of Origin	1934	1935	1936
United Kingdom . . . . .	£2,149,407	£2,457,468	£2,831,579
Tanganyika Mandated Territory . . . . .	832,626	833,067	724,500
India . . . . .	306,337	371,052	381,968
Canada . . . . .	81,495	109,706	121,043
Union of South Africa . . . . .	89,185	109,170	119,696
Aden . . . . .	854	1,412	5,461
Zanzibar . . . . .	2,942	3,428	4,419
Hongkong . . . . .	1,794	2,250	4,362
Japan . . . . .	856,219	1,007,382	1,117,656
United States . . . . .	348,916	507,420	601,643
Germany . . . . .	198,465	294,853	463,024
Persia . . . . .	236,249	287,418	236,163
Belgo-Luxemburg Economic Union . . . . .	95,739	129,683	189,275
Dutch East Indies . . . . .	101,267	94,252	167,316
France . . . . .	62,811	70,615	61,651
Czechoslovakia . . . . .	46,192	40,662	55,364
Netherlands . . . . .	79,319	60,880	50,806
Sweden . . . . .	25,484	39,505	47,271
Belgian Congo . . . . .	16,160	32,397	27,504

In order of value percentages of total imports from the principal sources in 1936 were: United Kingdom, 38.38; Japan, 15.15; Tanganyika, 9.82; United States, 8.16; Germany, 6.27; India, 5.18; Persia, 3.20; Belgium, 2.57; Dutch East Indies, 2.27; Union of South Africa, 1.63; Canada, 1.63.

#### PRODUCTS FROM PRINCIPAL SUPPLYING COUNTRIES

Cotton textiles are the most important of the trade imports, amounting in 1936 to 13 per cent of all goods imported. Japan supplied 70 per cent of the total value.

The value of machinery imported during 1936 was £64,947 in excess of 1935, an indication of the agricultural and industrial expansion in the territories. Increases were also recorded in the importation of building material, particularly cement.

*United Kingdom.*—Ale, beer, stout, etc.; biscuits; confectionery; provisions; gin; whisky; cigarettes; cement; iron and steel and manufactures thereof; aluminium; tin and manufactures thereof; tools; cutlery, hardware, etc.; electrical goods and apparatus; machinery; cotton piece-goods; woollen and artificial silk goods; wearing apparel; chemicals; drugs; paints; soap; oils; stationery, etc.; bicycles; motor cars, lorries and parts; tires; polishes; books; brushes; explosives; guns and rifles; cosmetics; toys, etc.



*Japan*.—Cotton and silk piece-goods; tires; cement; wearing apparel; boots and shoes.  
*Tanganyika Mandated Territory*.—Rice; ghee; tobacco and cigarettes; coffee; cotton; hides and skins; seeds and nuts.

*United States*.—Motor vehicles; oil; petrol; kerosene; tires; and machinery.

*Germany*.—Beer; tools; machinery; cotton blankets; stationery, etc.; cycle parts; lorries; lamps.

*India*.—Rice; wheat flour; cotton piece-goods; jute bags and sacks.

*Persia*.—Fuel oil; petrol; kerosene.

*Belgo-Luxemburg Economic Union*.—Corrugated iron; machinery; cotton blankets.

*Dutch East Indies*.—Fuel oil; petrol; kerosene.

*Union of South Africa*.—Fruit; coal; chemicals.

*Canada*.—Motor cars, lorries and parts; tires.

#### IMPORTS IN ORDER OF VALUE

In order of value, the principal items of import into Kenya and Uganda of interest to Canada were:—

Cotton piece-goods, £959,236; motor trucks, £283,160; other food, drink, and tobacco, £278,683; industrial machinery, £277,221; coffee, £246,941; fuel oil, £215,286; motor cars, £212,022; motor spirit, £211,521; other iron and steel manufactures, £189,145; other machinery, £172,410; cotton blankets, £158,520; other vehicles and parts, £147,451; jute bags and sacks, £146,159; cigarettes, cigars, and tobacco, £144,817; miscellaneous metal manufactures, £119,906; other raw materials, £115,305; galvanized sheets, £107,012; rice, £101,550.

Goods valued at £100,000 or less included:—

Other cutlery and hardware, £97,262; other wearing apparel, £96,687; electrical goods and apparatus, £91,801; artificial piece-goods, £84,882; coal, £84,024; bicycles and parts, £81,769; coal oil, £80,709; other machinery and parts, £79,685; other paper manufactures, £77,605; whisky, £66,368; other cotton manufactures, £64,924; agricultural machinery, £64,062; cement (building), £60,863; tubes, pipes, etc., £60,764; miscellaneous hardware, £57,661; lubricating oils, £56,895; furniture manufactures, wood and timber, £54,560; drugs and medicines, £52,822; motor car parts, £52,658; artisans' and other tools, £51,820; other textile manufactures, £51,283; cattle food, £50,898; stationery, £50,083.

Imports valued at less than £50,000 include:—

Silk tissues, £49,905; other textiles, £49,237; marine engines and machinery, £47,678; railway rails, ties, and plates, £46,746; tin, bar, plate, or sheet, £46,708; motor truck tires and tubes, £41,880; agricultural machinery and parts, £46,143; building sections and parts, £41,604; tin ore, £41,342; agricultural tools, £41,329; paints and colours, £39,915; other rubber manufactures, £38,267; box boards, £37,566; boots and shoes, £37,428; fishing nets, £36,806; hosiery, £35,460; tobacco, unmanufactured, £34,517; insecticides, £34,049; nails, screws, and rivets, £33,243; internal combustion engines (not for vehicles), £31,605; other woollen manufactures, £30,938; ghee, £30,471; hides, £29,465; motor car tires and tubes, £29,278; electrical machinery and parts, £27,638; iron (baling), £27,385; tractors, £27,275; jute bags, £26,686; glass and glassware, £26,276; provisions, £25,888; motor car covers, £25,691.

Other imports included:—

Leather and leather manufactures, £24,220; china and earthenware, £23,117; copra, £22,568; confectionery, £22,425; wines, £22,191; motor truck accessories, £21,817; ale, beer, and stout, £21,624; soap, £21,540; other oil manufactures, £21,074; printing paper, £19,561; cosmetics and toilet preparations, £19,306; timber, £19,237; hats and caps, £19,047; surgical and scientific instruments and appliances, £17,920; ploughs, harrows, cultivators, and drills, £17,919; haberdashery, £17,452; pumps and pumping machinery, £17,081; aluminium sheets, £16,955; spices, £14,597; shovels, spades, axes, £16,610; lamps and lanterns, £13,806; cordage, rope, twine, £13,804; woollen blankets, £13,793.

#### IMPORTS FROM CANADA

The principal imports from Canada in order of importance were:—

Motor trucks, £53,570; motor cars, £34,352; motor car parts, £7,388; motor car tires, £3,521; motor truck parts, £2,595; motor truck tires, £2,534; manufactures, n.e.e., £2,421; fruit (fresh), £1,976; agricultural machinery (other), £1,522; binders, reapers, mowers, £1,403; vehicles, other, parts and accessories, £999; ploughs, harrows, cultivators, and drills, £880; iron and steel manufactures, £756; canned food, £608; provisions, £486; motor car tubes,

£358; railway carriages, wagons, and trucks, £339; pickles and sauces, £292; motor truck tubes, £250; aluminium sheets, £241; implements and tools, £242; movie films, £200; zinc metal, £213; plywood, £168; agricultural tools, £163.

### EXPORT TRADE

The total value of exports, including re-exports, excluding goods entering in transit or transhipment, during the past three years are as follows:—

	1934	1935	1936
Domestic exports . . . . .	\$5,683,637	£6,608,836	£ 8,354,774
Re-exports . . . . .	1,821,505	2,087,630	2,191,124
Total exports . . . . .	£7,505,142	£8,696,466	£10,545,898

The value of bullion and specie included in the foregoing totals was as follows: 1934, £446,384; 1935, £357,240; 1936, £655,684.

The value of domestic exports from Kenya and Uganda during the past three years are as follows:—

	1934	1935	1936
Kenya . . . . .	£1,909,871	£2,978,307	£3,888,321
Uganda . . . . .	3,773,766	3,630,529	4,466,453
Total . . . . .	£5,683,637	£6,608,836	£8,354,774

Kenya's domestic exports consist of the following, in the order named: coffee, sisal, tea, gold bullion, corn, sodium carbonate, cotton, hides, sugar, skins, wattle extract, butter, wheat meal and flour, wattle bark, and wool.

Uganda's domestic exports consist of cotton, coffee, cotton seed, gold bullion, sugar, tin ore, tobacco and cigarettes, and hides.

The United Kingdom is the principal purchaser, taking 29 per cent, followed by India, 21 per cent; Japan, 16; United States, 7; Belgo-Luxemburg, 4; Canada, 3; Tanganyika, 3; Union of South Africa, Germany, and the Netherlands, 2 per cent each.

### COUNTRIES OF DESTINATION

The total value of domestic exports of Kenya and Uganda for the past three years, showing the principal countries of destination, is as follows:—

	1934	1935	1936
United Kingdom . . . . .	£1,273,429	£1,661,645	£2,379,091
India . . . . .	2,116,466	2,709,832	1,781,408
Tanganyika Mandated Territory . . . . .	266,072	276,321	275,430
Canada . . . . .	101,197	261,194	222,723
Union of South Africa . . . . .	140,797	138,875	198,517
Australia . . . . .	33,932	36,520	83,242
Anglo-Egyptian Sudan . . . . .	32,051	35,968	66,149
Aden . . . . .	17,523	27,207	35,521
Zanzibar . . . . .	28,911	33,043	34,965
British Malaya . . . . .	14,769	23,331	28,631
Japan . . . . .	692,055	126,713	1,333,141
United States . . . . .	212,499	332,962	596,790
Belgo-Luxemburg Economic Union . . . . .	146,798	215,109	347,441
Germany . . . . .	110,971	125,234	163,853
Netherlands . . . . .	93,164	96,991	123,334
Italian Somaliland . . . . .	36,109	140,658	116,883
France . . . . .	70,850	98,196	116,499
China . . . . .	32,934	11,655	65,205
Mozambique . . . . .	41,619	30,772	51,468
Egypt . . . . .	32,043	35,959	45,514
Italy . . . . .	56,121	50,295	39,758

### EXPORTS TO CANADA

Exports to Canada in 1936, in order of their importance, were as follows: coffee, 104,075 cwts. (£212,610); corn, 319,008 cwts. (£49,762); sisal fibre 1,115 tons (£23,106); sisal tow, 156 tons (£2,421); geranium oil, 1,282 pounds (£729); beans, 1,392 cwts. (£675); beeswax, 60 cwts. (£310); chillies, 40 cwts. (£65).



**REVIEW OF CHINA'S FLOUR TRADE<sup>1</sup>**

B. A. MACDONALD, ASSISTANT TRADE COMMISSIONER

**6. Notes on the Shanghai Flour Market<sup>2</sup>**

The nature of the Shanghai flour market is well known to Canadian millers, but the following brief notes on current conditions may be of interest.

**INCREASED IMPORTS INTO SHANGHAI**

To begin with, both total imports and imports from Canada into this port show an increase so far this year as against the same period last year. Imports up to the end of May, 1937 and 1936, are shown below with the figures for the whole of 1936 and 1935 included.

*Table No. 10: Imports of Flour into Shanghai*

	1935		1936		1936		1937	
	S. Tons	Can. \$	S. Tons	Can. \$	First 5 Months	Can. \$	First 5 Months	Can. \$
Australia.. . . .	930	29,300	1,070	40,200	520	19,500	760	38,400
Canada .. . . .	4,010	176,300	3,960	190,000	1,650	77,700	2,730	150,300
Hongkong .. . . .	110	5,500	.....	.....	.....	.....	25	1,140
Japan .. . . .	90	1,840	1	56	1	56	58	3,000
United States .. . . .	3,070	139,600	1,460	75,120	530	26,600	760	44,200
Other countries.. . . .	4	260	14	910	1	62	10	600
Total .. . . .	8,214	352,800	6,505	306,200	2,702	123,918	4,343	237,640
	Per Cent		Per Cent		Per Cent		Per Cent	
Australia.. . . .	11.3	.....	16.5	.....	19.3	.....	17.6	.....
Canada.. . . .	48.0	.....	61.0	.....	61.0	.....	64.0	.....
United States .. . . .	37.4	.....	22.3	.....	19.6	.....	17.6	.....

The above figures show the paramount position which Canadian flour holds at present in the Shanghai territory. The percentage figures also indicate that the proportion of Canadian and Australian flour used is increasing, while that of American flour is decreasing.

The small shipments shown as coming from Hongkong constitute Australian flour which it has been found convenient to reship. Japanese supplies are negligible at present.

**IMPORT CHANNELS**

There are probably about forty importers of foreign flour in Shanghai at the present time. In addition, there are four or five foreign bakeries and several large compradore shops (Chinese retail food stores) which at times purchase directly from mills or exporters abroad instead of through one of the local import houses.

The competition among the large number of importers is extremely keen, and it is doubtful whether it would be in the interests of Canadian or other foreign millers to increase their number. After all, the total business available is limited, and, while the local buyers frequently, if not usually, encourage new importers to enter this field in the hope of obtaining closer prices and wider credit facilities, the net result is a smaller volume of business, with lessened incentive, for each individual importer.

<sup>1</sup> The following sections of this report were published in *Commercial Intelligence Journal* No. 1750: 1, Introduction; 2, History of China's Flour Trade; 3, Distribution of Imports; and 4, Regulations affecting Flour. Section 5, China's Domestic Flour Production, appeared in No. 1751.

<sup>2</sup> See "Flour Trade of Tientsin" by C. S. Bissett, *Commercial Intelligence Journal* No. 1704 (September 26, 1936), for detailed information concerning the Tientsin market.

## TERMS AND CREDIT CONDITIONS

Importers in the Shanghai market receive from foreign millers terms varying from "irrevocable letter of credit" to "documents on acceptance," and they sell to local buyers on terms varying from "cash on delivery" to ninety days' credit.

Although there are some importers to whom d/a terms can be extended with very little risk, letters of credit or at least d/p terms should, as a general rule, be insisted upon. It is doubtful whether d/a accommodation should ever be given to bakeries or other ultimate consumers: several foreign exporters have found themselves during the past few years with appreciable amounts of unpaid drafts as a result of doing so.

As a consequence of the depression in Shanghai, credit conditions in the local market have been far from satisfactory in the last three or four years; and this situation was aggravated last year when foreign prices commenced to rise. The second largest foreign bakery, for example, found itself in a very difficult financial position partly as a result of large bread contracts accepted on the basis of low flour prices, and at time of writing it still has unpaid commitments outstanding.

One importer states that he has been forced to adopt the policy of selling only for cash, but admitted that this has restricted his volume. Another old-established house with very large financial resources, but whose flour business forms only a small part of its total import business, states that in spite of a severe credit policy, only 25 per cent of its sales are on a cash basis.

The largest importer of flour in Shanghai points out that even "cash on delivery" terms mean frequently ten to twenty days' credit, a cheque payable for either of those periods being obtained in exchange for a delivery order.

In selling to foreign bakeries or other similar accounts the foreign import firm usually carries all the risk, but in the case of Chinese accounts the *compradore* assumes half or all the risk, depending on what commission he receives.

There is no association of flour importers, or collaboration in other ways, whereby information concerning the credit standing of buyers can be exchanged. When, as a result of unpaid bills, one or more importers are forced to stop further credit to a certain buyer, the latter transfers his orders to one or more other importers, or perhaps persuades another firm which has never handled flour before to enter the trade by showing evidence of the large purchases he has placed in the past, but omitting to mention that some of them are still not paid for. This largely explains why Canadian mills receive, from time to time, inquiries from new connections or suddenly increased orders from old ones.

It is true that the second or new importer could make inquiries among other importers, but unless particularly close and friendly relations exist, this might be useless. Upon occasion the original seller deliberately refrains from revealing an unpaid account (particularly if it is large) in order to better his chances for eventual payment by permitting the buyer (a Chinese bakery, for example) to carry on through credit obtained elsewhere.

## METHODS OF SALES INDUCEMENT

Practically no advertising of flour is carried on in the Central China market, and most experienced people appear to agree that it would be useless. The explanation is that there is no necessity for exciting ultimate or intermediary consumer demand; this exists in sufficient volume to increase sales automatically could purchasing power be raised. The outlets for imported flour—foreign and Chinese-style bread, biscuits, and pastries, in the case of top, bakers, and fancy, patents; noodles, macaroni, "gourmet" (or "taste") powder, and



industrial uses, in the case of first and second clears—are influenced almost entirely by prevailing price.

Nevertheless there seems to be little doubt that, except for certain purposes such as Chinese pastries where the softer and whiter American and Australian flour is preferred, the colour, strength, and gluten content of Canadian flour is appreciated in this market. Even a small price difference, however, in favour of other foreign flour immediately tends to offset this appreciation.

Similarly, a rise in the price of foreign flour generally turns the bakers and most other users from the higher qualities of any one supplying mill to its less expensive lower grades. This has been discernible during the past few months, following the upward trend abroad.

An exception to the remarks regarding advertising concerns high-quality flour in 5- or 10-pound sacks for household use. The few importers who go in for this class of business do advertise to a small extent in "shopping news" periodicals; occasionally in the daily press, and at times in the price lists distributed by the compradore shops.

Although little if any advertising exists, other inducements of a financial or goodwill nature are used by importers. For example, caps and aprons are presented to the workers in bakeries, and some firms give a bonus at the end of the year to buyers based on their purchases during the previous twelve months.

Another feature of the trade worth mentioning is the fact that in a few instances the compradores of the large foreign import houses own or control a number of Chinese bakeries, and are thus able to control largely or entirely the direction of their orders.

#### SIZES

The 49-pound sack continues to be the standard size in the Shanghai market, although some 98's are brought in, and the largest foreign bakery buys 98- and 140-pound bags, the latter apparently because that size fits their bins. But for various reasons, including the fact that it is an easy weight to handle, the Chinese prefer the 49-pound size.

Due to the fact that their appeal is only to the household trade, which is relatively small, the 5- and 10-pound sacks have only a limited sale. Nevertheless, the latter appears to be growing somewhat, and these sizes will probably bear more consideration in the future.

Certain importers bring in flour already packed in this way; others repack in Shanghai from larger sizes. One of the largest importers states that he is opposed to repacking due to the difficulty or impossibility of maintaining the quality.

#### PRICES

Due to the recent great fluctuations in foreign-cabled quotations, it is impossible to give any useful comparison of imported flour prices. However, the following retail prices, all in Chinese dollars, taken from the list for the month of April of one of the largest compradore ships, may be of interest: (1) American, \$8.50; (2) American, \$7.75; (3) Canadian, \$7.75; (4) Australian, \$6.75; Chinese best quality, \$5.

The Chinese dollar is roughly equivalent to Can.\$0.30, and the above prices, being retail, include of course all the customs charges described earlier in this review (see *Commercial Intelligence Journal* No. 1750: August 14, page 288), plus importers' and retailers' expenses and profits. The first American price given above is for the most expensive foreign flour imported, and it is used practically exclusively for Chinese wedding parties. It is reported that whereas its sale averaged around 2,000 bags per month at one time, it is now only around 300 bags per month.

The following table shows the prices in Chinese dollars per 49-pound bag of domestic flour ruling on the Shanghai Flour Exchange during recent weeks:—

*Table No. 11: Price of Chinese Domestic Flour*

	June 15	June 21	June 19	June 26
July . . . . .	3.66½	3.80	3.76	3.84½
August . . . . .	3.68	3.83	3.78½	3.90
September . . . . .	3.71	3.85	3.81½	3.94½
October . . . . .	3.72	3.89	3.85½	4.00
November . . . . .	3.76	3.91	3.87½	4.04

Chinese \$1 = Can.\$0.30.

#### "RUSSIAN" FLOUR

The so-called "Russian" flour, of which a little is sold on the Shanghai market, is flour milled in Harbin, North Manchuria. One importer familiar with the mills there states that the finest quality of Harbin flour is better and more expensive than Canadian flour, but that it is practically never seen in Shanghai. Others in the trade report that the quality of the Manchurian flour, which does come here from time to time, can never be relied upon: one shipment may be quite good and the rest, purchased from the same source, turn out to be old stock which has obviously been on hand for a long period. As far as can be ascertained, the last shipment of this flour to reach Shanghai amounted to 800 bags and was bought by a large importer at a price of U.S.\$6.40 per barrel c.i.f. Shanghai, to keep it from disturbing the market.

#### 7. Notes on the Flour Trade of Manchuria

So much has been said of Manchuria as the potential "granary of Asia" that it may be of interest to mention here what its present position appears to be.

Wheat was introduced into Manchuria some 400 years ago from Shantung Province of China; Russian varieties were brought in later. In recent years it is estimated that total production has varied between 25,000,000 and 40,000,000 bushels. In both the 1935 and 1936 crop years it was 31,000,000 bushels. And it is estimated that the 1937 production will be about 29,000,000 bushels. Between 75 and 80 per cent of the production is grown in North Manchuria.

The latter is an important point because it is one of the two chief explanations for the fact that heretofore it has been South Manchuria only which provided an appreciable market for foreign flour.

The other reason has to do with the freight situation. Until the Japanese-owned South Manchurian Railway, running from Dairen north to Changchun, took over the Chinese Eastern Railway, the two lines had different gauges, which necessitated expensive transshipment at Changchun, their junction point. Changchun is roughly halfway between Dairen, the principal port, and Harbin, the chief milling centre, and roughly marks the dividing line between the northern and southern areas of the country. The two lines had, furthermore, separate freight policies, all of which made it difficult for Harbin flour to compete in the South (even when a large northern wheat crop permitted a surplus) unless foreign and Chinese wheat prices were unusually high.

#### SITUATION NOW ALTERED: TARIFF IMPOSED

The situation is now altered. The Chinese Eastern Railway is operated by the South Manchurian Railway, and in 1936 its gauge was made the same as the Japanese line. A tariff on foreign (including Chinese) flour amounting to 15 yen per short ton (approximately Can.\$4.35 at current exchange) was introduced on December 24, 1934. The large Japanese milling companies have



established mills in Manchuria. And finally, the Manchukuo Government has a 20-year program which, it is hoped, will raise the annual wheat production of the whole country to 9,400,000 koku, or about 47,000,000 bushels as compared to the 29,000,000- to 31,000,000-bushel output of the last three crop years.

#### MANCHURIA'S FLOUR IMPORTS BY COUNTRIES

The following table shows Manchuria's flour imports by countries since 1932, the first full year in which the territory was independent of China. The dominance of Japan in the trade will be noted:—

*Table 12: Manchuria's Flour Imports, 1932 to 1936*

	1932	1933	1934	1935	1936
	Figures in Thousands of Short Tons				
Japan.. . . .	154	308	286	314	124
Australia .. . . .	14	45	182	189	79
China .. . . .	97	184	84	5	25
Other countries .. . . .	8	14	25	5	10
Total .. . . .	273	551	577	513	232

#### CHIEF FACTORS AFFECTING MANCHURIA'S FLOUR IMPORTS

##### RISE OF THE SOYA BEAN EXPORT TRADE AND JAPANESE OCCUPATION

Table 2, published on page 284 of the last issue of the *Commercial Intelligence Journal* (No. 1750), shows that from 1903 until 1924 Manchuria's flour imports were much smaller than China's, but that they assumed important proportions from then onwards, with the exception of 1927 and 1928, and that since 1932 they have greatly exceeded China's imports.

Although varying wheat crops had of course much to do with the year-to-year fluctuations, the long-term increase was probably due to the rise of the soya bean export trade. This began in 1908 and increased steadily. Checked by the Great War, it became enormous in the 1920's and brought huge sums of money into the country.

The extraordinary rise in imports in 1933, 1934, and 1935, when 366,000, 494,000, and 507,000 tons respectively (including imports from China, which after 1931 were classed as foreign), was due to the events and conditions which followed the Japanese occupation of Manchuria in September, 1931. Large supplies were brought in for feeding troops; and by 1933 Japanese capital was flowing heavily into the country and large-scale railway and building construction programs were under way, which increased the effective demand for flour by creating purchasing power among the workers.

It is interesting to note that the impetus thus given to flour consumption, plus below-normal domestic crops, apparently overcame to a large extent at first the effect of the tariff imposed in December, 1934, because the imports during 1935 were not much smaller than those of 1934.

The heavy fall in imports during 1936 suggests, however, that this impetus may be losing its force and the tariff beginning to take effect.

##### SUITABILITY OF MANCHURIA FOR WHEAT-GROWING

As mentioned earlier, much has been said of Manchuria's potentialities for wheat production, and it has even been suggested that eventually it might eliminate overseas wheat and flour, not only from its own market, but from Japan and China as well. This opinion is not surprising in view of the country's similarity in many respects to the grain-producing areas of Canada and the United States, its relatively light population as compared to the rest of Asia (estimated at 30,000,000 to 33,000,000, with a density of only 65 to 70 per

square mile), and the fact that much of its 485,000 square miles remains undeveloped.

Insufficient data exist to enable any definite conclusion to be drawn, but from that which is available, it seems unlikely that Manchuria will be an important exporter of either wheat or flour in the near future, although small quantities of Manchurian flour may find its way to Tientsin and Shanghai from time to time.

In the first place, climatic conditions in Manchuria are not nearly so favourable to wheat as they are in Canada and the other great wheat-growing countries. Winter wheat cannot be grown, and the spring wheat suffers from insufficient rainfall during the seeding and early growing period, and from the fact that the heaviest rainfall occurs in the final growing and harvest time, July and August. It is for this reason that soya beans, kaoliang, maize, and millet, which are harvested later in the year, have been the chief crops. The following table shows the area sown to these grains as compared to wheat in 1935:—

*Table No. 13: Area Planted to Principal Crops in Manchuria, 1935*

Name	South Manchuria	North Manchuria	Total
	Figures in Hectares		
Soya beans . . . . .	2,067,000	1,617,000	3,684,000
Kaoliang . . . . .	2,381,000	689,000	3,071,000
Millet . . . . .	1,713,000	1,049,000	2,762,000
Maize . . . . .	784,000	462,000	1,247,000
Wheat . . . . .	198,000	728,000	926,000
Rice . . . . .	84,000	35,000	120,000
Upland rice . . . . .	81,000	41,000	113,000

Secondly, it will be recalled that the Government wheat program, drawn up about 1934, does not look for a production of 47,000,000 bushels for twenty years or (say) not until 1954. This would constitute an increase of about 17,000,000 bushels over the crops of the last years. At 58 bushels to the ton of flour, this is roughly equivalent to 293,000 tons of flour. And in each of the last five years from 232,000 to 577,000 tons have been imported.

Thirdly, there are good grounds for hoping that, under the present administration, the purchasing power of the people will rise, with a resulting increase in flour consumption.

On the whole, therefore, there is much to suggest that, under normal conditions, the most that can be expected during the next twenty years is that Manchuria will become self-sufficient in flour.

Exceptional circumstances, such as a combination of the high world rice and flour prices, unusually good crops in Manchuria, and unusually short crops in Japan or China, might result in flour export, but, on the other hand, poor wheat crops, such as occur frequently in Manchuria, might necessitate at times large imports.

In any case, it will be interesting to watch the new State's import returns over the next few years.

## JAPANESE EXPORTS OF CANNED SARDINES, JANUARY TO JUNE

A. K. DOULL, ACTING COMMERCIAL SECRETARY

Tokyo, July 17, 1937.—According to an investigation conducted by the Japan Canned Sardine Packers' and Exporters' Association, exports of canned sardines for the first six months of 1937, as compared with the similar period of last year, increased by 61 per cent and amounted to 808,574 cases. This increase is said to have been due to a rapid rise in exports to the United States and to Japanese colonies in the South Seas. Exports to these markets for the period under review amounted to approximately 615,000 cases—more than 75



per cent of total exports. As compared with the export figure of 394,000 cases for the corresponding period of the previous year this was an increase of nearly 60 per cent.

Shipments to Australia, Europe, Africa, and South America also increased. In view of reports that there are further market opportunities for Japanese canned sardines in these countries, the association expects an additional increase in the pack and exports during the latter half of this year.

Principal markets for Japanese canned sardines for the period under review were as follows:—

	Jan.-June, 1936 Cases	Jan.-June, 1937 Cases
Straits Settlements .....	88,995	183,906
Philippine Islands .....	104,921	162,970
Burma .....	96,712	86,354
Sumatra .....	23,021	59,153
Africa .....	8,808	54,680
Java .....	26,556	38,792
Siam .....	23,034	35,800
Belgium .....	23,524	31,833
Great Britain .....	19,045	28,091
Celebes .....	13,371	22,824
Australia .....	4,005	21,464
Borneo .....	3,425	14,515
South America .....	5,180	14,075
India .....	11,182	7,572

## TENDERS INVITED

### New Zealand

Copies of specifications have been received from Mr. W. F. Bull, Canadian Trade Commissioner at Auckland, for equipment required by the Post and Telegraph Department, Wellington, and the Public Works Department, Wellington. These specifications are open for inspection at the Department of Trade and Commerce, Ottawa. Tenders should be addressed to the Secretary, Public Works Supplies and Tenders Committee, Wellington, and the Director-General (Stores Division), General Post Office, Wellington, in accordance with these specifications.

Particulars are as follows:—

*Post and Telegraph Department.*—232,000 screws, coach, galvanized steel, various sizes, to specification (tenders close September 30); 10,000 bolts, single J, galvanized steel, to specification (tenders close September 28).

*Public Works Department.*—One complete set of 110-kv. outdoor switchgear, steelwork, etc., to specifications and drawings (tenders close November 30); Waikaremoana Power Scheme, Section 134, 2 exciters, 420-volt switchgear, and control board, to specifications and drawings (tenders close December 7); Section 127, 11-kv. switchgear and reactors, three link-boxes, three reactors, and one oil-immersed isolator, to specification and drawings (tenders close December 7).

## TARIFF CHANGES AND CUSTOMS REGULATIONS

### Irish Free State

#### EXPORT BOUNTIES ON PIG PRODUCTS

The Irish Free State Department of Agriculture announces that, effective August 16, the export bounties on pig products are reduced from 18s. to 16s. per cwt. on bacon, hams, and other cured pigs' meat, and from 14s. to 12s. per cwt. on other pork.

## British North Borneo

### IMPORTATION OF IMMATURE WHISKY PROHIBITED

British North Borneo Gazette Notification No. 166 of July 1, 1937, provides that, effective January 1, 1938, the importation of whisky, except whisky imported for transshipment, is prohibited unless accompanied by a certificate issued by the proper customs authority of the country of origin to the effect that it has been stored in wood for a period of not less than three years.

## Dominica

### TARIFF AMENDMENT

The customs tariff of Dominica was extensively amended under the Customs Import and Export Tariff (Amendment) Ordinance, 1937, effective July 1. Former and new rates of duty on the principal items of interest to Canada are:—

	Former Rates		New Rates	
	British Pref. Tariff	General Tariff	British Pref. Tariff	General Tariff
Cattle and other animal foods				
per 100 lbs.	2s. 1d.	3s. 1½d.	2s. 6d.	4s. 2d.
Cement . . . . .per 400 lbs.	2s.	4s.	2s. 4d.	4s. 8d.
Cheese . . . . .per 100 lbs.	8s. 4d.	15s.	10s. 5d.	20s. 10d.
Electrical apparatus . . .ad val.	10%	15%	10%	20%
Canned fish . . . . .per 100 lbs.	8s. 4d.	12s. 6d.	10s.	15s.
Fish, other than salmon, trout or mackerel, dried, salted, smoked or pickled per 100 lbs.	2s. 1d.	4s. 2d.	2s. 6d.	5s.
Oats . . . . .per 100 lbs.	1s.	1s. 6d.	1s. 8d.	2s. 6d.
Flour . . . . .per 196 lbs.	7s.	9s. 4d.	8s. 4d.	12s. 6d.
Hosiery other than silk, arti- ficial silk or cotton . . ad val.	10%	15%	10%	50%
Beef and pork, pickled or salted per 100 lbs.	2s. 1d.	5s. 6d.	2s. 6d.	6s. 3d.
Ham and bacon . . . . .per 100 lbs.	8s. 4d.	12s. 6d.	10s.	15s.
Medicines and drugs . . .ad val.	10%	15%	10%	20%
Manufactures of metal not other- wise specified . . . . .ad val.	10%	15%	10%	20%
Condensed milk . . . . .per 48 lbs.	1s. 4d.	2s. 4d.	1s. 6d.	2s. 8d.
Potatoes . . . . .per 100 lbs.	Free	Free	4s. 2d.	6s. 3d.
Paints and colours . . .per 100 lbs.	4s. 2d.	6s. 3d.	5s.	7s. 6d.
Paper of all kinds and manufac- tures of paper, not including paper for wrapping and pack- ing fruit for export . . ad val.	10%	15%	10%	20%
Soap, common . . . . .per 100 lbs.	4s. 2d.	6s. 3d.	5s.	7s. 6d.
Whisky . . . . .per gal.	11s.	13s. 6d.	14s. 6d.	18s. 6d.
Refined sugar . . . . .per 100 lbs.	12s. 6d.	16s. 8d.	14s. 7d.	20s. 10d.
Lumber, other than hard woods per 1,000 ft.	12s. 6d.	30s.	14s. 7d.	25s.
Puncheons, pipes, hogsheads, casks and barrels (empty) other than for the exportation of produce . . . . .ad val.	5%	7½%	10%	20%
Manufactures of wood, including furniture . . . . .ad val.	10%	15%	12½%	25%
Goods not elsewhere enumerated and not specially exempted from duty . . . . .ad val.	10%	15%	10%	20%

The former rates of duty above quoted were subject to a surtax of 15 per cent of the duty. There is no surtax under the revised tariff.



## FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING AUG. 23, 1937

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, August 23, and for the week ending Monday, August 16, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Aug. 16	Nominal Quotations in Montreal Week ending Aug. 23	Official Bank Rate
Austria . . . . .	Schilling	.1407	\$ .1887	\$ .1885	3½
Belgium . . . . .	Belga	.1001	.1684	.1684	2
Bulgaria . . . . .	Lev	.0072	.0128	.0129	2
Czechoslovakia . . . . .	Krone	.0296	.0349	.0349	3
Denmark . . . . .	Krone	.2680	.2224	.2227	4
Finland . . . . .	Markka	.0252	.0220	.0220	4
France . . . . .	Franc	.0392	.0375	.0375	4
Germany . . . . .	Reichsmark	.2382	.4022	.4022	4
Great Britain . . . . .	Pound	4.8666	4.9831	4.9875	2
Greece . . . . .	Drachma	.0130	.0091	.0090	6
Holland . . . . .	Guilder	.4020	.5515	.5518	2
*Hungary . . . . .	Pengo	.1749	.2956	.2955	4
Italy . . . . .	Lira	.0526	.0526	.0526	4½
Jugo-Slavia . . . . .	Dinar	.0176	.0231	.0231	5
Norway . . . . .	Krone	.2680	.2504	.2506	4
Poland . . . . .	Zloty	.1122	.1891	.1890	5
Portugal . . . . .	Escudo	.0442	.0451	.0451	4½
Roumania . . . . .	Leu	.0060	.0073	.0073	4½
Spain . . . . .	Peseta	.1930	.0673	.....	5
Sweden . . . . .	Krona	.2680	.2569	.2572	2½
Switzerland . . . . .	Franc	.1930	.2297	.2297	1½
United States . . . . .	Dollar	1.0000	1.0003	1.0000	1½
Mexico . . . . .	Peso	.4985	.2776	.2775	4-5
Cuba . . . . .	Peso	1.0000	.9995	.9992	—
Guadeloupe . . . . .	Franc	.0392	.0375	.0375	—
Jamaica . . . . .	Pound	4.8666	4.9931	4.9975	—
Martinique . . . . .	Franc	.0392	.0375	.0375	—
Other British West Indies	Dollar	1.0138	1.0381	1.0370	—
Argentina . . . . .	Peso (Paper)	.4245	.3321	.3325	3½
		Unofficial	.3016	.3010	—
Brazil . . . . .	Milreis (Paper)	.1196	.0659	.0637	—
British Guiana . . . . .	Dollar	1.0138	1.0381	1.0370	—
Chile . . . . .	Peso	.1217	.0517	.0517	4½
		Unofficial	.0417	.0417	—
Colombia . . . . .	Peso	.9733	.5701	.5701	4
Peru . . . . .	Sol	.2800	.2601	.2600	6
Venezuela . . . . .	Bolivar	.1930	.3138	.3137	—
Uruguay . . . . .	Peso	1.0342	.7922	.7917	—
South Africa . . . . .	Pound	4.8666	4.9769	4.9812	3½
Egypt . . . . .	Pound (100 Piastres)	4.9431	5.1116	5.1200	—
China (Shanghai) . . . . .	Dollar	.....	.2939	.2994	—
Hongkong . . . . .	Dollar	.....	.3083	.3115	—
India . . . . .	Rupee	.3650	.3761	.3765	3
Japan . . . . .	Yen	.4985	.2903	.2907	2.92
Java . . . . .	Guilder	.4020	.5516	.5518	—
Siam . . . . .	Baht (Tical)	.4424	.4567	.4572	—
Straits Settlements . . . . .	Dollar	.5678	.5844	.5850	—
Australia . . . . .	Pound	4.8666	4.9865	3.9900	3
New Zealand . . . . .	Pound	4.8666	4.0187	4.0225	2
		* Unofficial:	.1978	.1978	—

The Dominion Bureau of Statistics has supplied the following note:—

Fluctuations in European currencies were generally narrow and irregular during the week ending August 24. Spot francs at New York remained firm but the discounts on ninety-day rates widened. The British pound strengthened as reports indicated considerable transfer of European dollar balances to sterling. Gold continued to move from London to the United States, and on the 20th a resumption of Japanese shipments was recorded, marking the first since July 29. The French franc at Montreal was quoted at 3.75 cents and the pound sterling at \$4.99 throughout the period. Premiums on the United States dollar were reduced from 0.03 of 1 per cent on the 17th to 0.02 of 1 per cent on the following day. On the 20th New York funds were at par at Montreal and rested at that level for the rest of the week.

## TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

### Secretary, Board of Trade—

Saint John, N.B.  
Halifax, N.S.  
Quebec, P.Q.  
Montreal, P.Q.  
Toronto, Ont.

Chatham, Ont.  
Kitchener, Ont.  
Stratford, Ont.  
Woodstock, Ont.  
St. Mary's, Ont.

Portage la Prairie, Man.  
St. Boniface, Man.  
Winnipeg, Man.  
Vancouver, B.C.  
New Westminster, B.C.

### Secretary, Chamber of Commerce—

Sherbrooke, P.Q.  
Kingston, Ont.  
Oshawa, Ont.

Belleville, Ont.  
Peterborough, Ont.  
London, Ont.

Hamilton, Ont.  
Victoria, B.C.  
Prince Rupert, B.C.

### Border Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

### Secretary, Canadian Manufacturers Association—

Toronto, Ont.  
Montreal, P.Q.

Winnipeg, Man.  
Edmonton, Alta.

Vancouver, B.C.  
Victoria, B.C.

The Maritime Provinces Trade Commissioner, 122 Federal Building, Toronto, Ont.

The Bureau of Provincial Information, Victoria, B.C.

**Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.**

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Foodstuffs—</b>			
Dry Salted Codfish.....	571	Santiago de Cuba, Cuba..	Agency.
Dry Salted Fish (Codfish, Haddock).	572	Ciudad Trujillo, Dominican Republic.	Agency.
Dry Salted Fish (Cod, Hake, Haddock).	573	Santiago de Cuba, Cuba...	Agency.
Dry Salted Codfish.....	574	Ciudad Trujillo, Dominican Republic.	Agency.
<b>Miscellaneous—</b>			
Calf Upper Leather.....	575	Panama City, R.P.....	Agency.
Calf Upper Leather for Women's Shoes.	576	Panama City, R.P.....	Agency.
Canadian Hogskin Saddle Leather.	577	Auckland, N.Z.....	Agency.
Hog Skins.....	578	Yeovil, England.....	Purchase and/or Agency.
Rubber Faced Workmen's Gloves	579	O. Aker, Norway.....	Agency.
Electric Toasters, Kettles, Fans (Household).	580	Auckland, N.Z.....	Agency.
Dishwashing Machines for Hotels.	581	Wellington, N.Z.....	Agency



TRADE INQUIRIES—*Concluded*

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Miscellaneous—<i>Con.</i></b>			
Kitchen Hardware.....	582	Sydney, Australia.....	Agency.
Laundry Equipment for Hotels.	583	Wellington, N.Z.....	Agency.
Industrial Sewing Machinery....	584	Melbourne, Australia.....	Agency.
Office Appliances.....	585	Bristol, England.....	Purchase and/or Agency.
Clocks.....	586	Melbourne, Australia.....	Agency.
Stationery.....	587	Ciudad Trujillo, Domini- can Republic.	Agency.
Cutlery.....	588	Sydney, Australia.....	Agency.
China and Glassware.....	589	Sydney, Australia.....	Agency.
Electric Lighting Fixtures.....	590	Melbourne, Australia.....	Agency.
Electric Floor Polishers.....	591	Melbourne, Australia.....	Agency.
Electric Motors.....	592	Melbourne, Australia.....	Agency.
Brushes (Paint and Artists')....	593	Lima, Peru.....	Agency.
Tallow for Laundry Soap.....	594	Ciudad Trujillo, Domini- can Republic.	Purchase or Agency.
Silk Hosiery (Women's).....	595	Lima, Peru.....	Agency.
Thrown, Artificial and Spun Silk (in Spools).	596	Auckland, N.Z.....	Agency.
Cotton Hosiery (Men's, Women's and Children's).	597	Lima, Peru.....	Agency.
Packing Case Sleepers or Blocks.	598	Belfast, Northern Ireland.	Purchase.

**PROPOSED SAILINGS FROM CANADIAN PORTS**

(The sailing dates are approximate and subject to change without notice)

**From Montreal**

*To Liverpool.*—Duchess of York, Sept. 3; Duchess of Richmond, Sept. 11; Duchess of Bedford, Sept. 17—all Canadian Pacific; Andania, Cunard-White Star Line, Sept. 10; a steamer, Fjell Line, Sept. 6.

*To London.*—Beaverburn, Sept. 3; Beaverhill, Sept. 10; Beaverford, Sept. 17—all Canadian Pacific; Aurania, Sept. 3; Alaunia, Sept. 10; Ausonia, Sept. 17—all Cunard-White Star Line.

*To Manchester.*—Manchester Brigade, Sept. 9; Manchester Citizen, Sept. 16; Manchester Port, Sept. 22—all Manchester Line; a steamer, Fjell Line, Sept. 6.

*To Southampton.*—Montrose, Canadian Pacific, Sept. 10.

*To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—Boston City, Aug. 30; New York City, Sept. 18—both Bristol City and Dominion Lines; Dorelian, Cunard-Donaldson and Dominion Lines, Sept. 9.

*To Glasgow.*—Letitia, Sept. 3; Sulairia, Sept. 10; Athenia, Sept. 17—all Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Cairnesk, Sept. 1; Cairnglen, Sept. 8; Cairnmona (calls at Dundee), Sept. 22—all Cairn-Thomson Line.

*To Aberdeen and Hull.*—Gitano, Ellerman's Wilson Line, Sept. 3.

*To Dublin and Belfast.*—Torr Head (does not call at Belfast), Sept. 5; Fanad Head (does not call at Dublin), Sept. 15—both Head Line (cargo accepted for Cork).

*To Antwerp and Havre.*—Beaverburn, Sept. 3; Beaverhill, Sept. 10; Beaverford, Sept. 17—all Canadian Pacific (do not call at Havre); Brant County, Sept. 2; Flint II, Sept. 22—both County Line.

*To Rotterdam.*—Brant County, Sept. 2; Hada County, Sept. 17—both County Line.

*To Hamburg and Bremen.*—Bochum, Hamburg-American Line, Sept. 17; Beaverdale (does not call at Bremen), Canadian Pacific, Sept. 24.

*To Copenhagen, Gothenburg and Baltic Ports.*—Korsholm, Swedish-America-Mexico Line, Sept. 25.

*To Norwegian Ports.*—A steamer, Fjell Line, Sept. 6.

*To Marseilles, Genoa, Naples, Messina, Palermo, Lisbon and Leghorn.*—Capo Olmo, Aug. 31; Capo Noli, Sept. 18—both Capo Line.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Eikhaug (calls at Bay Roberts, Carbonear and Port Union but not at St. Pierre), Shaw SS. Co., Sept. 9; Belle Isle, Newfoundland-Canada SS., Sept. 10 and 24.

*To Corner Brook, Nfld.*—New Northland, Aug. 30 and Sept. 13; North Voyageur, Sept. 5—both Clarke SS. Co.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Chomedy (calls at Guadeloupe and Martinique if sufficient cargo offered), Canadian National, Sept. 2.

*To Hamilton (Bermuda), Nassau (Bahamas), Kingston (Jamaica) and Belize (British Honduras).*—Lady Rodney, Sept. 1; Cavelier (does not call at Hamilton or Nassau), Sept. 10; Lady Somers, Sept. 15—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer, Ocean Dominion SS. Corp., Sept. 15.

*To Brisbane, Sydney and Melbourne.*—City of Delhi (calls at Adelaide if sufficient inducement offers), Montreal-Australia-New Zealand Line, Sept. 30.

*To Auckland, Wellington, Lyttelton and Dunedin.*—Australind, Montreal-Australia-New Zealand Line, Sept. 21.

*To Sierra Leone, Walvis Bay, Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques and Beira.*—Eboe (does not call at Sierra Leone, Walvis Bay, Lourenco Marques or Beira), Sept. 10; Cochrane, Sept. 27—both Elder-Dempster Lines Ltd.

*To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Singapore, Madras, Rangoon and Calcutta.*—City of Auckland, Aug. 30; City of Guilford, Sept. 15—both Canada-India Service.

*To Belawan Deli, Penang, Port Swettenham, Singapore, Batavia, Cheribon, Samarang, Soerabaya and Macassar.*—Tabian, Java-New York-Blue Funnel Line, Sept. 10.

*To Manila, Hongkong, Shanghai and Dairen.*—City of Singapore, Ellerman & Bucknell SS. Co., Sept. 2.

*To Santos and Buenos Aires.*—A steamer (does not call at Santos), Guardiaz Line, September; a steamer, International Freightling Corp., September.

### From Quebec

*To Southampton.*—Empress of Australia, Sept. 1; Empress of Britain, Sept. 11—both Canadian Pacific.

### From Saint John

*To London, Hull, Aberdeen and Newcastle.*—Cavallo, Ellerman's Wilson Line, Sept. 9.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Hawkins, Canadian National, Sept. 1.

*To Kingston and Jamaican Outposts.*—Crawford Ellis (cargo accepted for transhipment to Central and South American ports), United Fruit Co., Sept. 10 and 24

### From Halifax

*To Liverpool.*—Newfoundland, Sept. 4; Nova Scotia, Sept. 21—both Furness Line; Manchester Exporter, Manchester Line, Sept. 11.

*To London.*—Artigas, American Hampton Roads, Sept. 11; Maasdam, Sept. 11; Edam, Sept. 27—both Holland-America Line.

*To Manchester.*—Manchester Port, Sept. 5; Manchester Brigade, Sept. 12; Manchester Citizen, Sept. 19; Manchester Regiment, Sept. 26—all Manchester Line.

*To Newcastle and Leith.*—Cairnesk, Sept. 4; Cairnglen, Sept. 11; Cairnmona, Sept. 25—all Cairn-Thomson Line.

*To Cardiff, Bristol and Swansea.*—New York City, Sept. 22; Boston City, Oct. 28—both Bristol City Line.

*To Rotterdam.*—Maasdam, Sept. 11; Edam, Sept. 27—both Holland-America Line.

*To Hamburg, Bremen, Hull, Leith and Dundee.*—Capulin, American Hampton Roads, Sept. 11.



*To St. John's, Nfld., and St. Pierre-Miquelon.*—Fort Townsend, Aug. 30 and Sept. 13; Fort Amherst, Sept. 6—both Furness-Red Cross Line; Kongshaug, Newfoundland-Canada SS. Ltd., Sept. 6; Newfoundland, Sept. 4; Nova Scotia, Sept. 21—both Furness Line.

*To Kingston (Jamaica) and Belize (British Honduras).*—Catcart, Aug. 30; Cavalier, Sept. 13—both Canadian National.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Hawkins, Canadian National, Sept. 9.

*To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer, Ocean Dominion SS. Corp., Sept. 1 and 20.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Chomedy (calls at Guadeloupe and Martinique if sufficient cargo offered), Canadian National, Sept. 6.

*To Bermuda, West Indies, and Demerara.*—A steamer, Pickford & Black Ltd., Sept. 1.

*To Santiago (Cuba) and Kingston (Jamaica).*—Kirsten B, Pickford & Black Ltd., Sept. 8.

*To Yokohama, Kobe, Shanghai, Hongkong, Manila, Cebu and Java.*—Silvercedar, Sept. 5; Silverwalnut, Sept. 30—both Silver Line; Siamese Prince, Sept. 20; Malayan Prince, Oct. 25—both Furness-Prince Line.

### From Vancouver

*To Yokohama, Kobe and Osaka.*—Heian Maru, Sept. 11; Hikawa Maru, Oct. 2; Hiye Maru, Oct. 14—all Nippon Yusen Kaisha.

*To Yokohama, Kobe, Shanghai, Hongkong and Manila.*—Empress of Japan (calls Honolulu), Sept. 4; Empress of Asia (calls Nagasaki), Sept. 18; Empress of Canada (calls Honolulu), Oct. 2; Empress of Russia (calls Nagasaki), Oct. 16—all Canadian Pacific; Tyndareus, Sept. 18; Ixion, Oct. 16—both Blue Funnel Line (call at Miike but not at Manila).

*To Manila, Iloilo, Cebu, Sourabaya, Samarang, Batavia, Singapore, Port Swettenham, Belawan Deli, Colombo, Bombay and Persian Gulf Ports.*—Djambi, Sept. 8; Tosari, Oct. 1—both Silver-Java Pacific Line.

*To Honolulu, Suva, Auckland and Sydney.*—Aorangi, Aug. 31; Niagara, Sept. 29—both Canadian-Australasian Line.

*To Papeete, Auckland, Wellington, Lyttelton, Dunedin, Melbourne and Sydney.*—Waiotapu (does not call at Wellington or Melbourne), Canadian-Australasian Line, Sept. 27.

*To Wellington, Port Huon, Beauty Point, Melbourne and Sydney.*—Anglo Canadian, Canadian-Australasian Line, Sept. 20.

*To London, Liverpool and Rotterdam.*—Lochgoil, Sept. 4; Lochmonar (calls at Glasgow), Sept. 18; Drechtdyk, Oct. 2; Lochkatrine (calls at Glasgow), Oct. 16—all North Pacific Coast Line.

*To Antwerp, Hamburg and Bremen.*—Elbe, Sept. 1; Weser, Oct. 6—both North German Lloyd Line; Oakland, Sept. 19; Seattle, Oct. 17—both Hamburg-American Line.

*To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.*—Wisconsin, Sept. 13; San Diego, Sept. 30—both Empire Shipping Co. Ltd.

*To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.*—Leme, Empire Shipping Co., Sept. 20.

*To Port of Spain (Trinidad) and Bridgetown (Barbados).*—A steamer, Canadian Transport Co., September.

*To Kingston (Jamaica), Trinidad and Demerara.*—A steamer, Canadian Transport Co., September.

*To Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques, Beira, Colombo, Calcutta and Madras.*—Manoeran, Sept. 4; Silverwillow, Oct. 5—both Silver-Java Pacific Line.

*To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.*—Brandanger, Sept. 30; Hardanger, Oct. 30—both Empire Shipping Co.

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**Note.**—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.

## CONDENSED LIST OF PUBLICATIONS ISSUED BY THE DEPARTMENT OF TRADE AND COMMERCE

Applications for publications in this list, together with remittances therefor, should be addressed to the King's Printer, Government Printing Bureau, Ottawa, marked "Attention Chief Clerk of Distribution."

### GENERAL

**Annual Report of the Department of Trade and Commerce.**—A review of the salient features of Canada's export and import trade and a summary of the activities of each of its Branches, including the Commercial Intelligence Service; Foreign Tariffs Division; Dominion Bureau of Statistics; Board of Grain Commissioners; Weights and Measures Inspection Service; Electricity and Gas Inspection Services; Publicity; Government Motion Picture Bureau; Exhibition Commission; Steamship Subsidies; Precious Metals Marking Inspection; also a statement of Revenue and Expenditure. (Price 25 cents.)

**Annual Report of the Board of Grain Commissioners.**—The administration of the Canada Grain Act during the calendar year, including reports of such officers as the Registrar, Chief Inspector, Chief Weighmaster and General Manager of the Canadian Government Elevators, prepared in accordance with Section 23 of the Act. (Price 25 cents.)

**Annual Report of Electricity and Gas Inspection Services.**—A summary of the work of these services with statistics of revenue and expenditure, as also statement showing meters, electrical energy generated for export, and lists of companies registered under the Electricity Inspection Act. (Price 25 cents.)

**Annual Report of Dominion Grain Research Laboratory.**—Details of investigations carried out in the Laboratory relating to qualities of Canadian wheat; also investigations on inquiries to further the sale of Canadian wheat and flour; milling and baking characteristics of the last crop; various forms of co-operation with Universities, Experimental Farms and other Government institutions, producers, milling and grain organizations in Canada and abroad; investigations relating to grading system, etc. (Price 10 cents.)

**Annual Report of Weights and Measures Inspection Service.**—Summary of the work of this service with statement showing revenue and expenditure, weighing machines, measures of capacity, measuring devices and lineal measures, etc., inspected in each district. (Price 10 cents.)

**Catalogue of Motion Pictures.**—List of all films available in the Government Motion Picture Bureau, with title and brief description. It is in loose leaf form, in order that revision may be made from year to year. (Price 25 cents.)

**List of Grain Elevators.**—Details of all Grain Elevators in Western and Eastern Divisions, also licensed grain commission merchants, track buyers of grain and grain dealers, and summary of grain loading platforms in Western Division. (Price 50 cents.)

### PUBLICATIONS OF THE COMMERCIAL INTELLIGENCE SERVICE

**Commercial Intelligence Journal.**—Published weekly in English and French, containing reports of Trade Commissioners and other commercial information. The annual subscription in Canada is \$1 and outside Canada, \$3.50.

Publications of the Commercial Intelligence Service are compiled with a view to furnishing Canadian exporters with information respecting the possibilities for the sale of Canadian goods abroad, the nature of the competition to be encountered, Customs requirements, etc., and are not intended for general distribution. The publications available include leaflets giving Invoice Requirements and a series on Points for Exporters, both covering countries included in the territories assigned to Trade Commissioners.

From time to time special reports are issued separately, which subscribers to the Commercial Intelligence Journal are entitled to receive free of charge. In all other cases their distribution is controlled by the King's Printer, who fixes a price therefor.

### PUBLICATIONS OF THE DOMINION BUREAU OF STATISTICS

The following is an abbreviated list of publications of the Dominion Bureau of Statistics:—

**Census of Canada.**

**Miscellaneous Statistics respecting the following:** Business; Education; Employment; Finance (Provincial and Municipal); Justice; Transportation, including railways and tramways, express, telegraphs, telephones, water, etc.; Production, including agriculture, furs, fisheries, forestry, mining, construction and manufactures; Vital: births, deaths, marriages, divorces.

**Canada, 1937.** (Price 25 cents.)

**Canada Year Book.** (Price \$1.50.)

**Report of the Dominion Statistician, Annual.** (Price 10 cents.)

**Trade (External), (Imports and Exports)—Annual Reports:** Fiscal Year (price \$3), Calendar Year (price 50 cents); **Quarterly Report** (price \$2 per annum); **Monthly Report** (price \$1 per annum).

**Trade (Internal), Prices, cost of living, capital movements, etc.** (Price 50 cents.)

**Monthly Review of Business Statistics.** (Price \$1 per annum.)



# COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

## CANADIAN GOVERNMENT TRADE COMMISSIONERS

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J. A. STRONG, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

### Australia

*Sydney:* L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh Streets. (Territory covers Federal District of Canberra, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

*Commercial Agent:* B. MILLIN, The Royal Exchange, Sydney, N.S.W.

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### Belgium

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### Brazil

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PAUL SYKES. Address for letters—P.O. Box 2003, Calcutta. Office—23 Esplanade Mansions, Government Place East, Calcutta. (Territory includes Burma and Ceylon.) *Cable address, Canadian.*

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*Kobe:* P. V. McLANE. Address for letters—P.O. Box 230, Kobe. Office—309 Crescent Building, 72 Kyomachi, Kobe. *Cable address, Canadian.*

### Mexico

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### Netherlands

J. A. LANGLEY, Coolsingel 111b, Rotterdam. (Territory includes the Rhine Valley and Switzerland.) *Cable address, Canadian.*

### New Zealand

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RICHARD GREW, Stortingsgaten 28, Oslo. (Territory includes Sweden, Denmark, and Finland.) *Cable address, Canadian.*

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### South Africa

*Cape Town:* G. R. HEASMAN. Address for letters—P.O. Box 683, Cape Town. Office—Cleghorn & Harris Building, Adderley Street, Cape Town. (Territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar.) *Cable address, Cantracom.*

*Johannesburg:* J. L. MUTTER. Address for letters—P.O. Box 715, Johannesburg. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

### United Kingdom

*London:* FREDERIC HUDD, Chief Trade Commissioner in the United Kingdom, Canada House, Trafalgar Square, S.W.1. *Cable address, Sleighing, London.*

*London:* J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W.1. (Territory covers Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

*London:* W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C.2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—covers United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

*London:* W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W.1. *Cable address, Agrilson.*

*Liverpool:* H. R. POUSSETTE, Martins Bank Building, Water Street. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

*Bristol:* E. L. MCCOLL, Northcliffe House, Colston Avenue. (Territory covers West of England, South Wales, and South Midlands.) *Cable address, Canadian.*

*Glasgow:* G. B. JOHNSON, 200 St. Vincent Street. (Territory covers Scotland.) *Cable address, Cantracom.*

### United States

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**Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.**



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# COMMERCIAL INTELLIGENCE JOURNAL

Vol. LVII

Ottawa, September 4, 1937

No. 1753



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ISSUED BY AUTHORITY OF  
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE  
JAMES G. PARMELEE, DEPUTY MINISTER

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Vol. LVII

Ottawa, September 4, 1937

No. 1753

## TRADE COMMISSIONERS ON TOUR

The following Canadian Trade Commissioners are now on tour in the Dominion: Mr. J. H. English, London, England; Mr. F. W. Fraser, Kingston, Jamaica (whose territory covers Jamaica, Haiti, the Bahamas, and British Honduras); Mr. G. R. Heasman, Cape Town, South Africa (whose territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar); and Mr. L. S. Glass, Rio de Janeiro, Brazil. Their itineraries are as follows:—

### Mr. English

Vancouver and Victoria . . . . .	Sept. 6 to 20	Winnipeg . . . . .	Sept. 27 and 28
Vernon . . . . .	Sept. 22	Fort William . . . . .	Sept. 29
Kelowna . . . . .	Sept. 23	Ottawa . . . . .	Oct. 1 to 8
Calgary . . . . .	Sept. 24		

### Mr. Fraser

Stewiacke and Kentville . . . . .	Sept. 7	Sussex and Fredericton . . . . .	Sept. 14
Truro and Pictou . . . . .	Sept. 8	Grand Falls . . . . .	Sept. 15
Charlottetown . . . . .	Sept. 9 and 10	Quebec . . . . .	Sept. 16 and 17
Port Elgin, Amherst and Sackville . . . . .	Sept. 11 to 13	Grand'Mere and Terrebonne . . . . .	Sept. 18
		Montreal . . . . .	Sept. 20 to Oct. 9

### Mr. Heasman

Ottawa . . . . .	Sept. 16
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### Mr. Glass

Montreal . . . . .	Sept. 6 to 8	Ottawa . . . . .	Sept. 27
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Firms who wish to be brought in touch with the Trade Commissioners should communicate, for Vancouver and Winnipeg, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres with the respective Board of Trade or Chamber of Commerce.

## AGRICULTURAL CONDITIONS IN THE UNITED KINGDOM

FREDERIC HUDD, CHIEF CANADIAN TRADE COMMISSIONER IN THE UNITED KINGDOM

London, August 19, 1937.—According to the report of the Ministry of Agriculture and Fisheries, dated August 1, on agricultural conditions in England and Wales, the weather during July has been characterized by the prolonged absence of sunshine throughout the country. Thunderstorms, accompanied by heavy rain, were frequent in the first half of the month, particularly in the North and East of England and the Midlands. A dry spell followed, but temperatures have been below average for the time of year. The general effect upon agriculture has not been unfavourable, however, the rain having benefited roots and pastures.

## CORN CROP YIELDS AND CONDITIONS

The following table shows the acreage sown to wheat, barley, and oats in 1937 and the estimated production of these grains as of August 1. Figures for 1936 are also shown for purposes of comparison:—

	1937		1936	
	Acres	Est. Yield Tons	Acres	Yield Tons
Wheat .. . . .	1,731,000	1,385,000	1,704,000	1,378,000
Barley .. . . .	823,000	588,000	819,000	663,000
Oats .. . . .	1,222,000	898,000	1,420,000	1,080,000

The above forecasts are not based on detailed inquiries such as are carried out in connection with the final estimates of yield issued after harvest and, therefore, have not the same degree of accuracy. It should also be borne in mind that the actual yields may be appreciably affected by weather conditions after August 1.

Corn crops are variable but on the whole fair, and at the end of the month needed more sunshine to ripen the grain. Harvesting has begun in a few areas, but is not yet general. Wheat is reported to have made fair progress, although in some districts the crop is still thin and patchy, especially late-sown spring wheat. Barley has improved during the month but appears to be short in the straw. Oats are variable, winter oats being on the whole an average crop; spring-sown are inclined to be patchy and short in the straw.

The yield of wheat is at present forecast at about 16 cwts. per acre, which is about  $1\frac{3}{4}$  cwt. below the average of the past ten years and about  $\frac{1}{4}$  cwt. per acre below the yield of last year. At 1,731,000 acres, the area under wheat is greater by 1·6 per cent than last year, and the total production is estimated at 1,385,000 tons, or 7,000 tons more than last year.

The area under barley has increased by 4,000 acres (0·5 per cent) to 823,000 acres and the probable yield is estimated at about  $14\frac{1}{4}$  cwts. per acre, which is about 2 cwts. less than the average of the past ten years and 1·9 cwt. below last year's yield. The total production of barley is estimated at 588,000 tons or 75,000 tons less than last year.

Oats are expected to yield about  $14\frac{3}{4}$  cwts. per acre, or about  $\frac{1}{2}$  cwt. less than in 1936 and about 1 cwt. below the average of the past ten years. The acreage under oats shows a decrease of 198,000 acres (13·9 per cent), and the total production is estimated at 898,000 tons, or 182,000 tons less than in 1936.

Beans are estimated to yield 16 cwts. per acre, or about  $\frac{1}{4}$  cwt. less than the ten years' average. The yield of peas at 14 cwts. per acre is about  $\frac{1}{2}$  cwt. below the average of the past ten years.

## ROOT CROP CONDITIONS

Earlier crop potatoes, as well as the main crop, promise an average yield. Very little disease is reported.

Turnips and swedes have generally grown well during the month and look healthy and vigorous. Mangolds have made fair progress, but at the end of the month required more sun. The acreage under turnips and swedes as of June 4 shows a decrease of 9,200 acres (2·05 per cent) compared with last year, and that under mangolds a decrease of 39,200 acres (15·9 per cent). The yield of turnips and swedes and of mangolds is expected to be about average. The sugar beet acreage is less by 42,100 (12·1 per cent) than last year. The present indications are that the yield will be about average, but the crop needs more sunshine.

## ACREAGE OF CROPS

The preliminary tabulation of the returns made by occupiers of agricultural holdings exceeding 1 acre in extent in England and Wales on June 4, 1937, shows



a proportionate decrease (0.4 per cent) in the total acreage under all crops and grass similar to that which was recorded in 1936. Rough grazings show an increase of 2,000 acres, while the decrease in the total area of crops and grass amounts to 91,000 acres. The area of arable land continued the decline which had been interrupted in 1935, the total this year being 9,018,000 acres, a decrease of 102,000 acres (1.1 per cent) from the acreage in 1936.

An additional area of about 10,000 acres has been returned as permanent grass, but the remainder of the reduction (91,000 acres) represents the loss to agriculture of land which has gone out of cultivation or has been taken for other purposes. The area under bare fallow has increased by 198,600 acres (59.3 per cent). On the other hand there have been decreases in the oats area (198,000 acres), and in certain of the fodder crops, which are partly counter-balanced by slight increases in the areas devoted to wheat, barley, turnips, and rape. Of the remainder of the crops, only turnips for stock feeding and clover for hay show an increase.

#### AGRICULTURAL WORKERS

The steady decline in the total number of agricultural workers since 1933 has continued in 1937, when there was a further decrease of 9,500 (1.5 per cent), compared with a decrease of 32,600 (4.8 per cent) in the previous year. The number of casual male workers over 21 years of age showed no change in numbers, but the total for all classes of male workers decreased by 2.4 per cent. Regular male workers over 21 years old showed a decrease of 6,700 (1.7 per cent), and under 21 years old a decrease of 6,200 (6.2 per cent). Casual male workers under 21 years old dropped by 700 (8.7 per cent). The loss of male workers to agriculture has doubtless contributed to the increase in the employment of women by 1,600 (3.6 per cent) as regular workers. The number of women workers employed for seasonal work increased by 2,500, or 9 per cent.

#### MARKET FOR MATTRESS AND UPHOLSTERY SPRING WIRE IN THE SOUTH MIDLANDS AND WEST OF ENGLAND

E. L. McCOLL, CANADIAN TRADE COMMISSIONER

Bristol, August 10, 1937.—Due to the shortage of steel in the United Kingdom the imports from foreign sources of several kinds of spring wire are increasing. Three inquiries have been received from the South Midlands and the West country to ascertain if corset, mattress, and upholstery wire could be secured from Canada.

#### IMPORTS AND EXPORTS OF WIRE

Imports into the United Kingdom of all kinds of wire, except insulated, for the first six months of 1937 as compared with 9,889 tons for the same period last year amounted to 9,877 long tons.

#### GALVANIZED CORSET WIRE

Corset steel wire is from 24 gauge to 18 gauge, Imperial Standard. It is not bought, however, to gauge size but by decimal size, with a tolerance of a thousandth part of an inch each way; for example, 20 gauge is .036 of an inch. Therefore .035 to .037 will be the limits or tolerance bracket. Wire outside these measurements would be considered as not being up to specification. Some steel wires, but for still finer process work, are made to a tolerance of .00025 inch.

Galvanized corset wire is drawn bright .036 inch galvanized, and then redrawn through the same die. This process elongates the steel wire, and at

the same time much of the galvanizing is impregnated into the pores of the steel, making a durable and even finish. Wiped galvanized wire is not acceptable to the corset manufacturer. In the latter process the wire passes through galvanizing tanks, followed by wipers, but irregularities which cannot be tolerated remain.

The exacting requirements demanded for corset steels render all unknown foreign wires "suspect" until they have been tested. The wire must be perfectly clean; it must not bear traces of any oil, graphite or other lubricant from the drawing benches. The tensile strength of corset wire is from 90 to 100 tons per square inch.

#### MUSIC WIRE

Music wire, which has a tensile strength of 160 tons to the square inch, is frequently employed for the manufacture of corset steels. It is also galvanized and drawn to render it rust proof, but the hot process may not be employed, the wire being subjected to electro-galvanizing.

#### PRICES

The price of corset wire increases in proportion to its fineness. Present prices of galvanized range from £34 10s. per ton for 18½ gauge to £49 per ton for 24 gauge, free delivered factory.

#### TINNED MATTRESS WIRE

Tinned wire of from 20 to 24 gauge is used for weaving spring mattresses. Although factories in the United Kingdom are turning out this product, it was formerly supplied to some extent by Sweden, Germany and the United States. In these countries, however, the shortage of supplies has raised prices to a point sufficiently high to effect almost a stoppage of imports from these sources.

The wire must be absolutely round, even in temper and smooth in finish, and a wide range or variety is required.

#### SPIRAL OR CONE SPRING WIRE

Spring wire comes from the manufacturers in two forms, drawn and annealed, and with the following finishes: bright, galvanized, tinned and coppered. The galvanized may be either wiped or drawn. The upholstery and mattress wires range from 6 to 19 gauge, but those in most demand are the half sizes. They have a tensile strength of from 45 to 60 tons to the square inch and come within the mild steel category whereas corset wire is classified as patented wire. Upholsterers favour copper wire, while in the main the galvanized goes to make mattress springs, although some of each is used for both purposes.

#### PRICES

The present prices of coppered wire, free delivered purchaser's warehouse, range from £21 5s. per ton for 8½ gauge to £31 per ton for 18½ gauge. Drawn galvanized is about 15s. higher.

#### SPRINGS

In addition to bright steel springs, copper, galvanized and enamelled springs are used. Spring manufacturers who also make wire mattresses use, in the



main, the single-cone galvanized spring, but they manufacture for sale to upholsterers and mattress makers double-cone galvanized, coppered, black enamel, and also pocket springs.

The coppered and galvanized springs are made in heights of from 3 inches to 14 inches, and range in gauges from 6½ to 18½. The demand for pocket springs is principally in coppered wire, not knotted, 14 gauge and 4-inch, 5-inch, and 6-inch heights. Manufacturers' delivered list price to wholesalers for a few of the most popular sizes are as follows:—

Height in Inches	Gauge	Coppered		Galvanized
		Single Cone	Double Cone	Double Cone
		s. d.	s. d.	s. d.
7 . . . . .	9½	11 10	13 7	16 2
10 . . . . .	8½	18 10	20 4	24 9
12 . . . . .	8	20 9	26 2	31 10

Enamelled springs are made of tougher and more expensive wire. They are lighter in weight than the other cone wires for the corresponding work required of them. They are roughly equivalent in price to the double-cone galvanized spring.

EMPIRE EXHIBITION, SCOTLAND, 1938

G. B. JOHNSON, CANADIAN TRADE COMMISSIONER

Glasgow, August 15, 1937.—The importance of the Empire Exhibition to be held at Glasgow in 1938 is becoming more generally appreciated. The Palace of Engineering will, it is believed, be one of the largest temporary exhibition buildings ever erected; it will have a frontage of 465 feet and will cover an area of nearly five acres. Already more than half of the available space has been sold to prospective exhibitors. The Palace of Industry will cover 2½ acres, and all space has already been allotted, making it necessary for a second pavilion to be erected.

CANADA TO PARTICIPATE

The Government of Canada will actively participate. Plans are not yet far enough advanced to give detailed information, but there will be ample space available for Canadian commercial exhibits. Individual booths will be provided, varying in size from 100 to 200 square feet.

In the building of all the numerous structures in the Glasgow Exhibition, Empire timber is exclusively specified. This applies to buildings erected by private firms and organizations as well as to those put up by the Exhibition authorities themselves. Already a three-mile boundary fence of Canadian Eastern Spruce has been built.

Besides the United Kingdom and Canada, the Governments of Australia, New Zealand and South Africa have signified their intention to participate in the exhibition. It is also expected that India and the Colonies will take part.

It is estimated that the attendance for the six months' duration of the Exhibition will amount to 15,000,000. To accommodate this number a new railway station is being built, making the third within walking distance of the entrance.

## IRISH FREE STATE TRADE, JANUARY TO JUNE

JAMES CORMACK, CANADIAN TRADE COMMISSIONER

Dublin, August 14, 1937.—Official trade figures of the Irish Free State for the first six months of this year, recently issued, show that total trade amounted to £32,435,082. Imports were valued at £21,119,562, an increase of more than £2,000,000 from the figure for the corresponding six months of the previous year; exports at £10,523,657 show an increase of over £500,000. The adverse trade balance has increased slightly over last year's despite the increased trade.

### IMPORT TRADE

More than 50 per cent of the imports into the Irish Free State came from Great Britain and Northern Ireland, although this percentage is slightly less than last year. Other large suppliers are: United States, £1,514,973; Argentina (mostly wheat), £1,043,179; Canada, £854,944; Australia, £785,164; India, £762,575; Germany, £707,866; Belgium, £592,741; Holland, £341,863; Japan, £266,036; France, £265,449; and Sweden, £248,717. Thirty-two out of the forty-three countries listed as suppliers are credited with increases.

Imports of machinery and electrical goods and apparatus continued to be heavy, indicating capital expenditure on the expansion of home industries. Their total value for the first six months of 1937 was £1,570,521 as compared with £1,301,249 for the first half of 1936. Imports of agricultural machinery and parts increased from £66,651 to £79,750; textile machinery from £48,587 to £87,678; and telegraph and telephone apparatus from £5,554 to £50,303. Most of the other machinery groups show small declines. Imports of deal planks and boards increased from £196,208 in 1936 to £303,659, and those of wood and timber from £540,448 to £733,072. There was a further decline in imports of wearing apparel from £826,902 during the first half of 1936 to £551,980 in the similar period of 1937. Boots, shoes and silk hosiery imports show a considerable reduction due to increased domestic production and the effect of quotas.

Imports of cereals and feeding stuffs over the first six months of 1937 were valued at £2,813,429 as against £2,049,414 in 1936. Other principal import figures for the half year, compared with those of the corresponding months of last year, were as follows: fruits and vegetables, £642,788 as against £598,195 in 1936; non-metalliferous—mine and quarry products, £2,356,409 (£2,190,813); miscellaneous foodstuffs, £1,218,639 (£1,106,757); iron and steel and manufactures thereof, £1,181,559 (£959,904); textiles (except apparel), £2,441,872 (£2,332,271); oils and fats, £1,139,307 (£870,248).

### EXPORT TRADE

Great Britain continued to take, roughly, 80 per cent of the exports, Northern Ireland 10 per cent, and the remaining 10 per cent is divided among some 50 other countries which buy small quantities of the Free State produce. Exports totalled £10,523,657 as against £9,958,639 for the first half of 1936. The United States took £113,645; Germany £418,497; Belgium, £92,745; Netherlands, £63,870; and Canada, £20,205.

During the first six months of 1937, the cattle exports have increased despite restrictive measures on both sides of the channel. The January to June figures are £3,462,745 as compared with £2,789,510 for the corresponding period of 1936. Exports of pigs fell from £202,929 to £65,527, and those of foodstuffs of animal origin from £2,826,901 to £2,514,113. A slight increase is recorded under the heading of cereals and foodstuffs for animals from £62,424 to £63,542.



Miscellaneous articles of food show a decrease from £264,315 to £260,378, and beverages from £1,794,632 to £1,690,890. Exports of textiles increased from £480,512 in the January-June period of 1936 to £614,780 for the same period of 1937; hides and leather from £228,165 to £296,817.

Increases in exports are shown under the headings metalliferous ores and manufactures, machinery, paper and cardboard, and oils and similar products. Wood and timber manufactures, apparel, and mine and quarry products show small decreases.

## MARKET FOR AUTOMOBILE BATTERIES IN THE BRITISH WEST INDIES

G. A. NEWMAN, ASSISTANT TRADE COMMISSIONER

Port of Spain, August 12, 1937.—Detailed information as to automobile battery imports into the Eastern Group of the British West Indies and British Guiana is not available, and the capacity of these markets can be estimated only from the record of motor vehicle imports. The total number of motor cars and trucks imported in 1935 into this territory amounted to 676 vehicles, distributed as follows: Barbados, 173; Trinidad, 166; British Guiana, 159; Windward Islands (Grenada, St. Lucia, and St. Vincent), 112; Leeward Islands, 66.

Imports of automobile batteries into Trinidad, the only market for which separate statistics of battery imports are available, had a total c.i.f. value in 1936 of \$15,550 (\$11,820 in 1935), of which Canada is credited with \$6,352 (\$4,139), the United Kingdom with \$3,159 (\$3,884), and the United States with \$5,940 (\$3,797).

The comparatively strong position of imports from the United Kingdom into the Trinidad market, and to an even greater extent into the Barbados and British Guiana, is explained by the number of British-made vehicles imported into these colonies. Approximately 32 per cent of the total motor car imports into Trinidad in 1936 were of United Kingdom origin; into Barbados, 52 per cent; and into British Guiana, about 72 per cent.

### TYPES OF BATTERIES

Practically every important firm of automobile agents and a number of accessory dealers offer a different brand of battery. In Trinidad two concerns are manufacturing batteries in small quantities, usually against individual orders from local customers. The boxes and parts required are obtained from Canada.

A wide variety of types of batteries is offered on these markets, the most common being a 6-volt, 80-85 ampere, 13-plate battery or a 90-95 ampere, 15-plate with Port Orford cedar separators and composition or hard rubber box. Dimensions vary according to the individual brands. The composition box is confined largely to the lower-priced batteries. A number of 12-volt batteries are imported into Trinidad and Barbados, but the tendency is towards the increased use of the 6-volt type. The batteries are usually imported dry and are filled to tropical gravity and charged at the importing company's expense, which in Trinidad amounts to about \$1.40 per battery.

In addition to automobile batteries, there is a steady demand also for batteries for domestic electric lighting systems, which are in common use.

### PRICES AND DISTRIBUTION

Retail prices range from \$6 for a 13-plate battery with a six-months' guarantee up to \$15 for a 15-plate battery of established reputation with a one year's

guarantee. The leading brand on the Trinidad market is offered at \$7.15 for a 13-plate, 80-ampere battery with one year's guarantee; \$8 for a 15-plate, 90-ampere; and \$9 for a 17-plate, 100-ampere battery. The average price for a 13-plate battery of 80-85 amperes is about \$8 or \$9 retail.

The most satisfactory method of distribution is through local motor car agents who also handle batteries, and it is difficult to successfully introduce a new brand through any other channel. One or two of these agencies purchase batteries against sight draft, but the accepted practice is thirty to sixty days, documents on acceptance, 10 per cent commission.

(Supplementary information respecting brands, prices, and market demand for batteries now on sale in these markets may be obtained by interested Canadian firms on application to the Department of Trade and Commerce, Ottawa, quoting file No. 24850.)

#### TARIFFS

The duties on automobile batteries imported into Barbados, Trinidad, and British Guiana are as follows:—

	Preferential Per Cent	General Per Cent	Surtax Per Cent
Barbados . . . . .	10	30	10
Trinidad . . . . .	10	25	15
British Guiana . . . . .	20	40	30

Canadian batteries are subject to preferential treatment.

### ECONOMIC CONDITIONS IN SOUTH AFRICA

J. C. BRITTON, ASSISTANT TRADE COMMISSIONER

Johannesburg, August 6, 1937.—The general level of business activity declined slightly throughout the Union of South Africa during the half yearly period January to June. The effect of the slight decline was felt in both urban and rural centres with the exception of a few rural districts in which produce has been harvested and sold. The slight check in the remarkable expansion of the past few years may be attributed to the fact that June is the stock-taking period for many commercial companies, and also to the unsettled condition of the share market. The falling off in trade was confined largely to luxury lines and was of short duration and, with the recent strengthening of the share market, business activity has continued its progressive expansion.

Despite the fact that almost £28,000,000 has been allocated for construction and rolling stock since March, 1933, the South African Railways have had difficulty in meeting traffic demands. In addition to the handling of larger shipments from overseas, there has been a marked increase in manganese, chrome ore, maize, and citrus traffic. The value of the gold output for the months of May and June, 1937, was in excess of the value recorded for these two months in 1936. After a lapse of one year, during which there were no maize exports from the Union, shipments overseas were again resumed. Building plans passed for the first six months of 1937 exceeded those for the same period in the previous year. The advance was confined to the larger centres, as there was a slight falling off in the rural areas.

#### RAILWAYS AND HARBOURS

Railway earnings for the first three months of the financial year which commenced April 1 amounted to £9,084,814, an increase over the total of £8,466,973 for the same period in 1936. Compared with the year ended March 31, 1933, the gross quantity of goods carried during the fiscal year 1936-37 showed an increase of 50·53 per cent. The total earnings for the fiscal year 1936-37 ended March 31, 1937, amounted to £31,762,008. The South African Railways



have placed 149 new engines and the equivalent of 11,378 new short trucks in service since the beginning of April, 1933. In addition, 246 new engines and 8,246 new trucks have been ordered or their construction authorized. The tremendous activity experienced by the South African Railways and Harbours is a reliable barometer of the increased prosperity of the country. A continuance of earnings at the present level will ensure a railway surplus for the fiscal year 1937-38 in excess of that recorded for 1936-37, which amounted to £1,873,180.

#### AGRICULTURE

The agricultural situation appears to be very satisfactory. Present estimates indicate that practically all the principal crops, with the exception of wheat, will show increases over the previous year. Prices are also slightly higher, while demand is steady. The latest official estimate reveals that the total maize crop will amount to 25,405,000 bags of 200 pounds. This is a substantial increase over the 1936-37 crop of 14,798,500 bags, and, as indicated above, maize exports have been resumed; up to June 26 new season exports amounted to 230,870 bags.

The yield and quality of the citrus crop is regarded as being satisfactory. According to reports, South African citrus fruit arriving in the United Kingdom in June was in sound condition. Citrus exports for the period April to June, 1937, amounted to 783,670 cases as compared with 478,486 cases for the same period in 1936.

The outlook at present for next season's wheat crop is unfavourable. Sowing has been delayed due to insufficient rainfall and early plants which have sprouted are generally in weak condition.

The wool season has come to a close, stocks of unsold wool held at Union ports at the end of June amounting to 11,912 bales as compared with 21,108 bales at the end of June, 1936.

The 1937-38 sugar crop is estimated at 475,000 tons of 2,000 pounds, providing weather conditions remain favourable. The 1936-37 crop amounted to 422,590 tons. The total tobacco crop is estimated at 20,523,000 pounds, and it is reported that the tobacco is of good quality. A bounty is to be paid on tobacco exports in leaf form, other than Turkish or flue-cured, during the period from May 1, 1937, to April 30, 1938.

#### INDUSTRY

The motor car industry was working at full capacity during June, and retail sales of new cars maintained a fairly high level. There was a slight decrease, however, in the volume of sales in several of the larger centres. Due to stocktaking, boot and shoe purchases for immediate shipment were reduced. The boot and shoe manufactures were, as a result, not working to capacity, although business in this industry has been steady.

Building operations remain active, particularly in the larger cities, and sales of timber and building materials from stocks have been steady. Timber merchants are well stocked at the present time, as they have purchased heavily from overseas during the past six months. In view of this fact, overseas timber purchases have been curtailed at the present time, but consumption continues, and this situation should be remedied shortly. The value of building plans passed in the larger towns during the first six months of 1937 was as follows, with comparative figures for the corresponding period of 1935 and 1936:—

	Jan.-June, 1937	Jan.-June, 1936	Jan.-June, 1935
Johannesburg . . . . .	£6,306,796	£4,690,035	£2,662,380
Cape Town . . . . .	1,426,408	1,177,126	1,121,304
Durban . . . . .	1,084,420	621,273	586,060
Bloemfontein . . . . .	123,733	26,751	21,897

Business in the property market was active, and the demand for residential properties was maintained. Prices submitted for large sites were slightly

lower than those offered in the past few months. Sales of agricultural implements and machinery are reported higher for the first six months of 1937 than for the same period last year.

The gold output in June, 1937, was valued at £6,853,483 as compared with £6,538,343 for the same month in 1936. Coal, manganese, copper and asbestos output for May, 1937, was also in excess of that for May, 1936.

#### FINANCE

The strong financial position of the Union of South Africa was revealed by the Deputy Governor of the South African Reserve Bank in his recent address at the annual general meeting of stockholders. Between March 31, 1936, and March 31, 1937, the Union of South Africa redeemed £14,000,000 of overseas debt. The capital of the Reserve Bank remained unaltered at £1,000,000, the reserve fund also being placed at this figure, which is the maximum amount that may be held under the Currency and Banking Act. Notes in circulation amounted to £16,397,569, an increase of £1,770,000 over the figure for the previous year. Gold reserves of the bank decreased by £1,051,000 as compared with the previous year, but owing to a proportionately larger decrease in notes and deposits, the reserve ratio rose from 59 to 59.7 per cent. There was a decline in deposits of £4,055,000 as compared with the fiscal year 1935-36 despite a considerable influx of capital. This is, however, attributed to the Government's program of overseas debt redemption.

#### EXTERNAL TRADE

Preliminary trade returns for the first six months of 1937 show that imports were valued at £49,115,515 as compared with £40,902,745 for the same period in 1936. Exports declined from £59,235,247 in the 1936 period to £58,785,040 in 1937. The decrease in the value of gold bullion from £43,852,866 for the first six months of 1936 to £37,484,950 for the corresponding period of 1937 accounts for the small decrease in the total value of exports. The total trade of the Union of South Africa for the half year increased from £100,137,992 in 1936 to £107,900,555 in 1937, due entirely to increased imports. A continuance of the present level of imports and exports for the balance of the year should result in the Union's total external trade exceeding £200,000,000 for the first time. The general revenue collections for the first three months of the fiscal year amounted to £7,226,768 and are well in advance of the total of £6,326,279 recorded for the corresponding period last year.

### TRADE OF ZANZIBAR PROTECTORATE IN 1936

H. W. BRIGHTON, ACTING TRADE COMMISSIONER

(Rupee values have been converted at the rate of one rupee equals 1s. 6d.)

Cape Town, July 31, 1937.—Early in 1936 it was apparent that merchants were overstocked as a result of heavy imports during the latter part of 1935, partly in anticipation of increased duties following a change over in currency from rupees to East African coinage on December 16, 1935. It was not until August that imports were resumed on a substantial scale, and by the end of 1936 the trading position of the country had improved. With a good clove crop in sight at favourable prices, and returns for copra improving, the prospects for 1937 are considered bright.

#### FOREIGN TRADE

The total value of imports into Zanzibar Protectorate in 1936 was £794,276 as compared with £915,241 in 1935 and the 1932-36 five-year average of £829,751.



Exports from the protectorate, including re-exports of foreign merchandise, amounted to £997,162 in 1936 as against £852,529 in the preceding year. The values of re-exports in these years were £195,876 and £196,125 respectively.

#### IMPORTS

The principal articles imported into the protectorate during 1936, in order of importance, with values for 1935 within parentheses, were as follows:—

Rice, £115,944 (£135,011); cotton piece-goods and products, £91,175 (£111,150); ivory, £40,559 (£30,592); wheat and flour, £30,399 (£34,961); wearing apparel, £32,347 (£34,924); sugar, £28,849 (£39,966); gasolene, £26,011 (£21,791); coal oil, £22,478 (£40,272); tea, £17,597 (£15,706); sesame, £16,214 (£11,499); pulse, £12,716 (£9,829); ghee, £12,415 (£15,230); drugs and chemicals, £12,253 (£11,924); tobacco manufactures, £12,131 (£16,364); movie films, £11,715 (nil); silk and silk manufactures, £11,788 (£17,615); cigarettes, £11,182 (£15,207); millet, £8,952 (£14,070); cement, £7,804 (£5,774); shirts, £7,246 (nil); spices, £7,116 (nil); fish, dried or salted, £6,995 (£12,452); haberdashery and millinery, £6,699 (£4,006); milk, condensed, £6,683 (£6,720); iron and steel manufactures, £6,578 (£9,738); motor cars, £5,597 (£8,478); galvanized sheets, £5,544 (£3,746); wood and timber, dressed, £5,313 (£7,552); motor trucks, £5,213 (£7,614).

Other articles in order of value were:—

Whisky, £3,715 (£4,907); boots and shoes, £3,329 (£5,098); woollen piece-goods and products, £3,147 (£4,332); stationery, £3,049 (£3,394); wheat, £2,805 (£2,667); confectionery, £2,496 (nil); biscuits, £2,321 (nil); motor car parts, £2,169 (£2,938); fish oil, £1,900 (£1,698); aluminium ware, £1,758 (£1,068); motor truck tires, £1,739 (nil); macaroni, £1,695 (nil); paper, packing and wrapping, £1,616 (nil); nails, screws, nuts, and bolts, £1,524 (£1,378); hats, helmets, and caps, £1,494 (£2,293); motor car tires, £1,486 (nil); soap, toilet, £1,418 (nil); enamelware, £1,417 (£2,992); paper, other, £1,262 (nil); hardware, n.e.e., £1,159 (£2,626); fruit, dried, £1,147 (£1,102); lamps and lanterns, £1,128 (nil); toys and games, £1,091 (£1,282).

#### SOURCES OF SUPPLY

The United Kingdom was the principal supplier of commodities to the protectorate with 20·97 per cent of the total imports. Others in order of importance were India and Burma, 16·73 per cent; Japan, 13·7; Dutch East Indies, 6·01; Tanganyika, 5·76; Kenya and Uganda, 5·3; Siam, 4·73; Holland, 3·89; Australia, 2·96; and the United States, 2·87 per cent. Canada is credited with 0·39 per cent.

The total value of imports from Canada in 1936 was £3,405 as against £5,025 in 1935. The principal commodities imported from the Dominion were: motor trucks, £2,685; motor cars, £336; motor truck tires, £134; and motor car parts, £109.

Other imports included wood and timber, dressed; motor car tires; miscellaneous manufactures; cotton manufactures; provisions, tinned or preserved; miscellaneous food and drink.

#### EXPORTS

The principal domestic exports of Zanzibar, in order of value, for 1936, with values for 1935 within parentheses, were as follows: cloves, £618,671 (£474,513); copra, £142,686 (£120,352); clove oil, £9,359 (nil); mangrove bark, £7,544 (nil); sesame oil, £6,754 (£4,838); coconuts, £2,444 (£1,745); oil cake, £2,124 (nil); fruit, fresh, £1,911 (£2,725); Beche-de-mer, £1,681 (£1,236); coconut oil, £1,666 (£689); marine shells, £1,381 (£731); tobacco unmanufactured, £646 (£684).

In the order named, and with percentages, the following were the principal purchasers of Zanzibar's domestic exports in 1936: Dutch East Indies, 29·43 per cent; India and Burma, 26·08; France, 12·18; Tanganyika, 7·25; United States, 5·42; Great Britain, 4·26; Italian Somaliland, 2·78; Kenya and Uganda, 2·14; Germany, 2·05; Canada, 0·26 per cent.

Exports to Canada consisted entirely of 979 cwts. cloves valued at £2,697 as compared with shipments valued at £3,150 for 1935.

## ECONOMIC CONDITIONS IN AUSTRALIA

FREDERICK PALMER, CANADIAN TRADE COMMISSIONER

Melbourne, July 21, 1937.—World demand for the basic products of Australia is responsible for the continued improvement in economic conditions in the States of Victoria, South Australia, Western Australia, and Tasmania. This improvement is reflected in the recent award by the Arbitration Court of an increase in the basic wage ranging from 3s. to 6s. per week.

Compared with 1929, unemployment reached its lowest point in June, when the percentages of unemployed members of trade unions in the States of Victoria, South Australia, Western Australia, and Tasmania were 9·6, 8·3, 5·6, and 10·4 respectively.

### VICTORIA

Practically every index reveals an improvement in economic conditions in the State of Victoria. Retail sales during June were higher than in the corresponding month of 1936. The general improvement in conditions is also reflected in the retail price index of foodstuffs, which steadily advanced from 810 in March, 1937, to 821 in April and 827 in May. The figure for May, 1936, was 795.

The volume of cheques cleared through the Melbourne clearing houses for the first half of the year showed an increase of 14 per cent over the same period of 1936. The value of building permits for Melbourne during May, 1937, aggregated £A942,000, the highest total for any month of the eight preceding years. Bank deposits during the second quarter of 1937 rose to £A116,846,000 as compared with £A108,267,000 in the corresponding quarter in 1936. This increase suggests a tendency towards lower rates of interest.

The number of new automobiles registered in Victoria for the first five months of the year totalled 9,451, or 4 per cent more than in the corresponding period of 1936. During May 2,098 cars were registered as compared with 1,778 in May, 1936.

### SOUTH AUSTRALIA

Agricultural prospects were stimulated by rain in June, and crops are reported to be progressing satisfactorily, except in isolated areas where the rainfall was scant. The areas sown to cereals have been increased from 4,412,083 acres in 1936 to 4,540,000 acres this year.

Production of wine is an important industry in South Australia. During 1936-37 the total vintage reached 14,200,000 gallons, an increase of 1,176,000 gallons compared with 1935-36. It is estimated that the 1937-38 production will exceed this year's output by 9 per cent. Exports this year are expected to reach 3,494,021 gallons as compared with the average for the past five seasons of 2,945,410 gallons.

Retail trade in Adelaide is much better than it was a year ago, sales tax returns being 35 per cent higher in May, 1937, than in the corresponding month of 1936. Bank clearings for the six months ending June, 1937, amounted to £A80,454,846, an increase of 16 per cent as compared with the same period of 1936.

### WESTERN AUSTRALIA

Gold production in Western Australia for the month of May aggregated 85,440 ounces, nearly 5,000 ounces more than in the preceding month and 21,753 ounces more than in May, 1936. During the first five months of 1937 production amounted to 389,542 ounces as compared with 309,906 ounces in the same period of 1936.



Retail trade in Western Australia generally was reported to be better than in 1936, while bank clearings, which by June 21 this year aggregated £A48,-798,000, were 2½ per cent higher than in the corresponding period of 1936. Building permits issued in Perth during May were over three times as great as in the same month of 1936.

#### TASMANIA

Agriculture is more important than industry in Tasmania, and general conditions have been favourable during the first half of 1937. Retail trade showed some seasonal recessions in volume during June, but an improvement on 1936 is reported.

The fruit export season is about ended; exports of apples and pears were higher than in 1936. Tasmania was able to fill its export quota without difficulty and had a considerable quantity for disposal in the various state markets. On June 1 there were 70,000 more cases of fruit in cold storage than at the same time in 1936, although the total was 20,000 cases below the record of 1932.

### WHEAT SITUATION IN EGYPT

Mr. C. S. Burrill, Office of the Canadian Trade Commissioner in Cairo, advises that government measures to remedy the fall in the price of wheat on the local market include the granting of a bonus of 15 piastres (76·8 cents) per ardeb (5·2 bushels) of wheat exported. A credit of £E20,000 has been approved by the Minister of Finance to carry out this scheme, which was first submitted to and approved by the Bank of Agricultural Credits. The scheme will be put on trial for two months (as from July 1) and will be continued if it proves satisfactory. It has been adopted as a result of the increasingly unsatisfactory situation on the local wheat market.

There is a carry-over from last season of approximately 300,000 ardebs, and as this year's crop is unusually large, it is likely that to greatly exceed local consumption. It is hoped that the bonus now offered to producers will induce them to export their wheat and thus avoid a disastrous drop in prices.

### BRITISH MALAYAN MARKET FOR POTATOES

K. F. NOBLE, ACTING TRADE COMMISSIONER

(Unless otherwise stated, values are in Straits dollars; one S\$ equals 58 cents Canadian)

Singapore, August 10, 1937.—Potatoes are not grown in the territory of British Malaya in commercial quantities, and the country is therefore dependent upon imported supplies. The per capita consumption is not large owing to the dominant position of rice in the diet of the 4,500,000 inhabitants, who include 1,750,000 Chinese, 2,000,000 Malays, some 600,000 British Indians, and about 60,000 other foreign Orientals. Import statistics indicate that the annual consumption of potatoes is in the neighbourhood of 13,500 long tons with a value of about Canadian \$1,015,800.

#### IMPORTS

The following table shows imports for the three years, 1934, 1935, and 1936, and for the first six months of 1937:—

*British Malayan Imports of Potatoes*

Countries of Origin	1934		1935		1936		Jan.-June, 1937	
	Tons	Straits \$	Tons	Straits \$	Tons	Straits \$	Tons	Straits \$
British Possessions and Protectorates . . . . .	192	11,591	230	15,050	276	18,332	64	4,423
Continent of Europe . . . . .	93	6,830	42	2,635	55	3,765	22	1,461
United States . . . . .	1	89	6	671	5	952	2	341
Japan . . . . .	10,558	334,649	11,331	412,804	10,080	362,261	7,060	280,869
Netherlands India . . . . .	1,773	122,142	1,518	105,997	2,902	146,990	439	27,034
Other countries . . . . .	743	37,932	434	23,066	396	19,383	410	21,225
Totals . . . . .	13,360	513,233	13,561	560,223	13,714	551,683	7,997	335,353

The foregoing figures include re-exports to the islands of Netherlands India, Borneo, Sarawak, Brunei, and Siam as follows: 734 tons (\$30,810) in 1934, 732 tons (\$34,333) in 1935, 1,035 tons (\$46,292) in 1936, and 396 tons (\$20,871) during the 1937 period.

Separate statistics of imports from all countries of origin are not available later than 1935. For that year the figures were as follows: Irish Free State, 20 tons (\$1,026); Canada, 116 tons (\$7,642); Burma, 34 tons (\$2,214); Australia, 39 tons (\$2,497); Netherlands, 42 tons (\$2,635); Egypt, 44 tons (\$2,803); United States, 6 tons (\$671); China, 390 tons (\$20,157); Netherlands India, 1,518 tons (\$105,997); and Japan, 11,331 tons (\$412,804).

## JAPANESE SUPPLIES

Japanese potatoes dominate the British Malayan market, accounting for about 85 per cent of the total imports. Present landing prices range from 3.50 yen to 3.65 yen c.i.f.c. & i. per crate of one picul (133½ pounds), equivalent to approximately Canadian \$16.50 per ton of 2,000 pounds. These potatoes, though small and of yellow texture, are in reasonably good condition. Terms of sale are 20 days D/A, accompanied by guarantee of quality under which claims will be accepted.

Since the consumption of potatoes is limited to a small proportion of the population, the cheapest product is favoured. For the importer who is interested in volume turnover the Japanese potato is satisfactory, and when stocks are available there is no possibility of introducing other than limited supplies of the larger potato equivalent to the Canadian No. 1 or No. 2 quality in medium size.

## SHIPMENTS FROM CANADA

These large-sized potatoes, usually No. 2 medium, are supplied to certain of the hotels and better-class stores by Canadian, United States and Australian shippers. Australian supplies, by reason of the delivery period of 11 to 17 days, are shipped in bags and arrive in good condition, since there is no need for transshipment. Current quotations on these potatoes are £6 15s. sterling, c.i.f.c. & i. per ton of 2,240 pounds.

In competing for this trade in potatoes of better quality, Canadian shippers in British Columbia are handicapped by the lack of adequate shipping service. Neither of the two alternatives—direct shipment with a delivery time of 55 days, or transshipment at Hongkong (which makes packing in the more expensive wooden crates advisable)—is attractive to the Canadian shipper. Provided shipments are made by vessels travelling the great circle route—Vancouver and Victoria to Yokohama—there is a reasonable prospect of potatoes in bags being received in a sound condition, but this does not apply to those leaving Vancouver after March 31.

The largest single buyer of potatoes in this territory is the Royal Army Service Corps. Supplies are purchased by local tender, which includes costs of



delivery to the several barracks and therefore requires the services of a middleman. Canadian potatoes, No. 2 quality, small or medium size, would be acceptable, but under the terms of contract two months' visible supply, or the equivalent of 140 tons, must be on hand at all times. With Japanese potatoes in stock and available to the successful tenderer, the introduction of Canadian supplies would involve the importation of 140 tons to arrive prior to the letting of the contract, with no other prospect of sale should the tender be unsuccessful. The Royal Army Service Corps will have their own supply depot in 1938, but meanwhile the risk of carrying substantial consignment stock renders the prospects of sales to this buyer unattractive, particularly as it is understood that the current tender price—c.i.f.c. & i., including daily delivery charges—is  $2\frac{1}{2}$  cents per pound, or about Canadian \$28.75 per ton of 2,000 pounds.

## WHEAT AND FLOUR REGULATION IN EUROPEAN COUNTRIES<sup>1</sup>

### IV. Norway

RICHARD GREW, CANADIAN TRADE COMMISSIONER

Oslo, August 11, 1937.—With the exception of minor changes, the most important of which will be dealt with later in this report, the regulations governing the wheat and flour trade in Norway have remained substantially the same as a year ago.

There are no official restrictions on the importation of wheat and flour into Norway, and there is no tariff on these commodities. The import trade in grain and flour is, however, conducted exclusively by the Norwegian State Grain Monopoly, "Statens Kornforretning," which regulates and controls the trade in accordance with the policy of the Government.

#### THE STATE GRAIN MONOPOLY

The Monopoly, in its present form, was established by Grain Law of June 22, 1928, which came into force on July 1, 1929. The law provides that the Monopoly will be conducted by a managing director with a board of seven members elected by Parliament for a period of three years. The board holds meetings at least every three months to discuss important questions. The decision always rests with the director, except in cases of great importance when the matter must be referred to the Department of Agriculture and Fisheries. In cases where the unanimous opinion of the board is contrary to the opinion of the director, the question must also be referred to the department.

The functions of the Monopoly are threefold: (1) to import from abroad such quantities of grain and flour as are necessary to meet the requirements of the country, (2) to buy all home-grown grain offered for sale by growers, and (3) to sell the products in the most expedient way and at the lowest possible price.

In discharging their duties with respect to the import of grain and flour the Monopoly, like a private company, strives to take full advantage of market fluctuations and to purchase their requirements at the lowest possible price. With respect to the purchase of home-grown grain, however, the Monopoly adopts a paternal attitude and seeks to pay the Norwegian grower as much as possible for his grain without unduly raising the price of flour.

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<sup>1</sup> Earlier reports in this series were published in the *Commercial Intelligence Journal* as follows: United Kingdom, No. 1748; Belgium, No. 1751; Germany, No. 1752.

## IMPORT AND DISTRIBUTION

The Monopoly is obliged by law to buy all home-grown bread grain offered by the farmers, provided it is fit for human consumption. Imports of foreign grain and flour therefore represent only requirements over and above domestic offerings. Purchases of foreign wheat and flour are made on the basis of offers submitted daily by the resident agents of the grain exporters and flour millers. Terms of purchase are partly f.o.b. and partly c.i.f. Wheat from North America and Argentina is usually bought f.o.b. the different loading ports, which enables the Monopoly to utilize Norwegian shipping and insurance services. Wheat from other markets and wheat flour are usually bought f.o.b. Norway.

## INSPECTION

On arrival in Norway, all wheat and flour shipments are carefully inspected by the Monopoly. The wheat is then delivered to the merchant mills, usually located at the ports, which are under contract to receive and grind the grain in accordance with instructions from the Monopoly. The mills store the flour and mill-feed, and dispose of these commodities at their own responsibility but at prices fixed by the Monopoly. The mills are paid a fixed rate for grinding the wheat and storing and disposing of the flour and mill-feed.

Imported flour is similarly handled. Following inspection at the port of entry, it is taken over by specified wholesale houses which are under contract with the Monopoly to distribute it at their own risk against a certain compensation. The selling price for each type of flour is the same all over the country, freight charges being equalized by the Monopoly. Changes in prices are telegraphed to all mills and wholesale dealers and are put into force simultaneously all over the country. The selling prices are calculated on the basis of prices on the world's market, but only on its broad features, as frequent changes have to be avoided if possible. New prices apply to all stocks at the mills and in the hands of wholesale merchants, and losses or gains occasioned through changes in price are adjusted between the different mills and wholesalers and the Monopoly.

From the above summary it will be seen that the activities of the Monopoly have in a large measure deprived private firms of their commercial independence. Nevertheless, the mills, flour importers, and agents are still able to carry on their business on comparatively satisfactory terms in co-operation with the Monopoly. Private importers of feeding stuffs are still permitted to import necessary quantities of mill-feed under special licence issued by the Monopoly.

## SELLING PRICES

In fixing the selling price of flour the Monopoly works on the principle that the business shall cover its own expenses and leave a moderate profit to be used in various ways for the promotion of the business. At present Canadian straight flour is being sold by the Monopoly at Kr.38.75 per 100 kilos, or about \$9.69 per bag of 100 kilos, which is an increase of \$1.75 per 100 kilos from the previous year. The cost to the Monopoly c.i.f. was recently \$7.25 per bag of 100 kilos. The difference between the selling price in Norway and the c.i.f. cost works out to roughly \$2.44 per 100 kilos. This may appear to be a considerable spread between cost and selling price. It must be remembered, however, that no duty is levied on imported flour and that if the grain trade was entirely in the hands of commercial firms a duty would be levied which would roughly equal the present difference between the c.i.f. cost and the selling price. Flour milled in Norway from Canadian and other imported wheat is being sold at Kr.38 per 100 kilos, or about \$9.50 per bag of 100 kilos, an increase of \$1.75 per 100 kilos from a year ago.



The Monopoly try to strike a selling price which can be maintained for a period of six months regardless of fluctuations in the cost of imported wheat and flour, and the prices at present in force have been in effect since the first of April. At the beginning of the crop year, which in Norway commences September 1, the question of altering prices is again considered.

#### BUYING DOMESTIC GRAINS

The buying of home-grown grain is conducted by a corps of about 80 local collectors who work for the Monopoly on a commission basis. These collectors receive statements from the farmers as to quality and quantity, make out contracts and report weekly to the Monopoly. Instructions as to inspection and shipment of the grain are regularly furnished by the Monopoly. Payment is made direct to the farmers from the Monopoly.

The Grain Law provides that domestic wheat, rye and barley shall be purchased at prices based on the Monopoly's selling prices of grain products, that is to say, the flour prices converted into grain with milling expenses and the price of mill-feeds deducted. As all selling prices of flour are based on c.i.f. delivery to all steamship and railway stations, these prices include the average freight expenses, which are also included in the buying prices for home-grown grain, thus making these grain prices correspondingly higher than the prices for imported grain.

#### WHEAT PRICES AND SUBSIDIES

Norwegian farmers are guaranteed a minimum price of 22 öre per kilo for wheat, without bags, which amounts to about \$1.50 per bushel in Canadian currency. The Government has authorized the Monopoly to pay at least that price for domestic wheat regardless of the selling price of flour, and the Government reimburses the Monopoly out of treasury funds for all such emergency payments made to farmers to bring the price up to the guaranteed minimum.

During the years 1929 to 1934 inclusive the Monopoly paid, on the average, Kr.5.37 per 100 kilos (about 37 cents per bushel) above the ordinary c.i.f. price for imported wheat. The actual present price for domestic wheat is Kr.27.50 per 100 kilos, without bags (about \$1.87 per bushel). For the previous two years, the price has been Kr.24 per 100 kilos or \$1.64 per bushel.

#### PREVIOUS PRACTICE

In previous years the Monopoly has found it inconvenient and difficult to handle all the bread grain produced in the country. Many outlying districts are difficult of access and are far removed from the large mills. Growers in such districts were being encouraged to haul their grain direct to the local country mills, where it was ground at a fixed milling charge and returned to them for home consumption. This relieved the Monopoly of the trouble and expense of handling grain from inaccessible districts, but growers in such districts were nevertheless entitled to the same subsidy as they would have received had they sold their grain to the Monopoly. In order to compensate them in this regard, the Monopoly paid the growers Kr.4 (about \$1) for every 100 kilos of wheat, rye, and barley delivered to the country mills and taken back for home consumption. To this bounty the Government added a further emergency bounty of Kr.5 (about \$1.25) per 100 kilos, which was paid out of the treasury. Therefore the total premium or bounty paid to such growers was Kr.9 per 100 kilos, which amounts to about 61 cents per bushel.

#### PRESENT REGULATION

A new regulation has now come into force, however, by which the farmer in the outlying districts receives only the bounty of Kr.9 for an amount which is

considered sufficient for the requirements of his farm for such purposes as seed, feeding, etc. For any additional quantity above his own requirements which he may harvest the farmer receives the regular purchase price which the Monopoly has set, namely Kr.27.50 per 100 kilos. Until this new regulation came into force it was possible for the farmer to sell his wheat to the local mill at a price somewhat below the price paid by the Monopoly, which in turn would enable the local mill to sell flour at a price less than that fixed by the Monopoly. As it is the aim of the Monopoly to maintain the same price for flour throughout the whole country, their purpose was being defeated in the outlying districts, and as a result the above-mentioned alteration has been put into effect.

#### IMPORTS OF WHEAT

Wheat imports from Canada for the four years 1931 to 1934 were comparatively small, and in one year (1932) Canada was not mentioned as a country of supply. During the same period, however, considerable quantities were imported from the United States and, as that country has not had an export surplus since the 1931-32 crop year, it seems probable that the imports credited to the United States, particularly for the years 1933 and 1934, actually originated in Canada. During 1935 and 1936 imports from the United States were negligible, and the amount mentioned as having been imported from that country in 1936 is considered to be wheat of Canadian origin.

A probable reason for the change in the country of origin is the fact that in recent years Norwegian vessels have proceeded to the head of the lakes, taking cargoes direct from Port Arthur and Fort William to Norwegian ports. If imports credited to the United States during 1936 are considered as Canadian wheat, Canada supplied approximately 78 per cent of the total Norwegian requirements. Russia and Argentina are the two other principal sources of supply, both countries showing in 1936 considerable declines from their previous high levels.

Another noticeable trend in the Norwegian wheat imports is the fact that, compared to 1930 and 1931, supplies in the last year under review were secured from fewer sources.

The total imports of wheat into Norway during 1936 showed a decline of 43,000 tons from the previous year, and were the smallest since 1931. While short supplies in wheat-exporting countries have probably had some influence, another factor which must be taken into consideration is the far greater production of wheat in Norway, which has increased from slightly under 20,000 tons to almost 60,000 tons.

The following table shows wheat imports into Norway by countries from 1930 to 1936 inclusive:—

#### *Imports of Wheat into Norway*

Countries of Origin	Figures in Metric Tons of 2,205 Pounds						
	1930	1931	1932	1933	1934	1935	1936
Sweden . . . . .	431	32	569	6	2,429	2,294	3,627
Denmark . . . . .	2,484	588	.....	.....	.....	.....	.....
Soviet Russia . . . . .	35,949	36,959	33,995	26,348	41,127	14,522	16,414
Poland and Danzig . . . . .	.....	.....	.....	.....	1,492	3	.....
Estonia . . . . .	452	.....	.....	.....	.....	.....	.....
Germany . . . . .	1,251	.....	4,972	12,434	2,350	.....	.....
France . . . . .	1,098	5,278	.....	.....	2,140	7,405	.....
Roumania . . . . .	627	1,198	.....	.....	.....	.....	.....
Netherlands . . . . .	.....	6,682	.....	.....	.....	.....	.....
Great Britain and Nor. Ireland . . . . .	.....	6,028	4,582	5,560	.....	7	.....
United States . . . . .	43,195	50,463	71,931	59,851	68,888	.....	8,123
Canada . . . . .	37,203	8,053	.....	6,593	2,379	90,557	101,786
Argentina . . . . .	7,906	15,234	27,882	57,864	45,731	68,507	9,891
Australia . . . . .	.....	.....	3,836	.....	.....	.....	.....
Other countries . . . . .	25	.....	4	.....	.....	.....	63
<b>Total . . . . .</b>	<b>130,621</b>	<b>130,515</b>	<b>147,771</b>	<b>168,656</b>	<b>166,536</b>	<b>183,295</b>	<b>139,904</b>



## NORWEGIAN PRODUCTION OF WHEAT

The following table shows the acreage sown to wheat in Norway, as well as the yield, during the years 1930 to 1936 inclusive:—

Year	Acres	Production	
		M. Tons	Bushels
1930 . . . . .	30,467	19,596	719,757
1931 . . . . .	28,687	16,106	591,566
1932 . . . . .	27,830	20,340	748,938
1933 . . . . .	28,108	20,542	754,511
1934 . . . . .	46,396	32,765	1,203,466
1935 . . . . .	58,764	50,871	1,858,503
1936 . . . . .	74,556	58,833	2,160,906

The above figures show the pronounced increase both in acreage and production of wheat which has taken place during the past years. Both the acreage and yield in 1936 are almost three times as large as in 1930. Until comparatively recently it was the opinion of many that the Norwegian climate was not as suitable for the production of wheat as it was for raising barley and rye. The above figures seem to indicate, however, that this theory has lost favour. Probably the principal reason for the increased wheat production is the fact that Norwegian farmers receive a larger subsidy from the Grain Monopoly for wheat than for other types of grain. In other words, the increased acreage sown to wheat has taken place at the expense of other grains, principally barley and rye. It is not believed that there has been any marked increase in the total amount of land given to grain production during the last seven years.

## CONSUMPTION OF WHEAT

In the following table is shown the quantity of wheat imported, the amount produced in Norway, and the total of these two, which is roughly equal to the consumption:—

Year	Imports	Production	Consumption
	M. Tons	M. Tons	M. Tons
1930 . . . . .	130,621	19,596	150,217
1931 . . . . .	130,515	16,106	146,621
1932 . . . . .	147,771	20,390	168,161
1933 . . . . .	168,656	20,542	189,198
1934 . . . . .	166,536	32,765	199,301
1935 . . . . .	183,295	50,871	234,166
1936 . . . . .	134,904	58,833	198,737

As it is the aim of the Grain Monopoly to keep in stock from 100,000 to 150,000 tons at all times, the figures in the right-hand column may be considered as a rough approximation of the quantity consumed each year, and it will be noted that consumption during the seven-year period has increased by, roughly, 50,000 tons. This figure is about 10,000 tons greater than the increase in production during the same period. While it is impossible to estimate what increase in the acreage sown to wheat will take place in the future, it is believed that the rate of increase will not be as rapid as has been the case in the past three years, as there is little new land available for agriculture and considerable quantities of other grains are required. There is no doubt that part of the increased consumption of wheat is due to better economic conditions throughout the country, but it should also be remembered that the serious effects of the depression had not become evident in 1930. Consequently, the consumption of wheat in 1930 can be taken as fairly normal. It would appear, therefore, that even though the production of wheat continues to expand, it will not be sufficient to cover the increase in the demand, and that imports of, roughly, 150,000 tons will still be required.

## IMPORTS OF WHEAT FLOUR

The following table shows the quantity of flour imported into Norway for the years 1930 to 1936 inclusive, together with countries of origin:—

*Imports of Wheat Flour into Norway*

Countries of Origin	Figures in Metric Tons			of 2,205 Pounds		
	1930	1931	1932	1933	1934	1935
Sweden . . . . .	67	24	.....	42	.....	.....
Denmark . . . . .	126	11	.....	.....	.....	.....
Soviet Russia . . . . .	.....	.....	399	.....	.....	.....
Poland and Danzig . . . . .	.....	55	.....	.....	.....	.....
Germany . . . . .	302	450	16	193	.....	.....
France . . . . .	8,152	13,827	5,843	5,648	6,454	6,054
Netherlands . . . . .	295	148	65	.....	.....	.....
Belgium . . . . .	127	.....	.....	1,813	.....	.....
Hungary . . . . .	204	649	733	1,201	.....	1,237
Great Britain and Northern Ireland..	1,374	3,945	11,269	14,464	12,623	9,610
United States . . . . .	32,084	24,115	13,686	7,957	7,760	4,205
Canada . . . . .	21,602	25,851	16,376	18,963	17,653	21,194
Argentina . . . . .	851	.....	.....	.....	.....	.....
Other countries . . . . .	.....	.....	19	80	395	828
Total . . . . .	65,183	69,075	48,406	50,361	44,885	43,128
						39,023

The foregoing figures indicate that, while the total imports of flour have steadily declined from a high level in 1931 of 69,000 tons to 39,000 in 1936, imports from Canada have remained at a fairly constant level. The average annual imports from Canada for the past seven years are 20,234 tons, which is slightly more than the amount imported during 1936. The decline in imports is more than offset by an increase in the quantity of flour milled in Norway, as will be seen from the following table:—

Year	Domestic Production	Imports	Consumption
	M. Tons	M. Tons	M. Tons
1930 . . . . .	72,830	65,183	138,013
1931 . . . . .	84,622	69,075	153,697
1932 . . . . .	93,644	48,406	142,050
1933 . . . . .	105,684	50,361	146,045
1934 . . . . .	113,421	44,885	156,306
1935 . . . . .	123,668	43,128	166,816
1936 . . . . .	122,799	39,023	161,822

In view of the fact that imports from Canada have been maintained at a fairly constant level throughout the seven-year period, the decline in the total imports would appear to be at the expense of countries supplying flour milled from a softer wheat, and that an approximate quantity of 20,000 tons of Canadian flour will continue to be required for the Norwegian market.

Imports from the United States have declined considerably, which can be accounted for by the series of short crops that have occurred in that country between 1932 and 1936. In all probability a considerable proportion of the flour exported from the United States from 1933 to 1936 is actually Canadian flour, and it might be a closer estimate if 25,000 tons was taken as the average amount of Canadian flour imported into Norway in recent years. In this connection, it might be mentioned that Canadian wheat and flour have been made the basis for the standard types of flour produced in Norway, and for this reason it is likely that there will always be a steady demand for Canadian wheat and flour on the part of the Monopoly.

## TRADE AND CLEARING AGREEMENTS

As mentioned in the first part of this report, no official restrictions are in force as regards the importation of wheat and flour into Norway, nor do any trade or clearing agreements exist whereby other countries have a more favour-



able position in supplying the Norwegian market with wheat and flour than Canada. All supplying countries are on an equal basis as far as competition is concerned. If anything, Canada is in the most favourable position, but this is not due to any official restrictions or agreements, but rather on account of the fact that Canadian wheat and flour have been made the basis for Norwegian types.

## CROP REPORTS FOR THE SCANDINAVIAN COUNTRIES AND FINLAND

RICHARD GREW, CANADIAN TRADE COMMISSIONER

### NORWAY

Oslo, August 16, 1937.—According to the official report of the Director of Agriculture on the condition of crops at the end of July, the weather has been warm throughout the country, although in southern parts of Norway intermittent showers have somewhat hampered the harvesting of hay. Most of the hay has now been harvested, and although the quality is somewhat uneven, the yield generally is considerably above the average. The total hay crop for the whole country is given as 113 per cent of an average year in the case of cultivated fields, and 108 per cent for natural fields.

The grain fields are reported to be very vigorous, and the prospects for the various crops are as follows: oats, 106 per cent of an average year; spring wheat, 105 per cent; barley and mixed grain, 104 per cent; autumn wheat and spring rye, 103 per cent; and autumn rye, 95 per cent.

The potato crop is estimated at 102 per cent of an average year for the whole country. Root crops have developed satisfactorily since the warm weather set in, and the outlook is generally very promising. The crop is estimated at 103 per cent of an average year for both turnips and swedes.

### DENMARK

The report issued by the Danish Department of Statistics on August 2 on the condition of crops at the end of July states that the crop prospects for grain are considered to be about average. The yields of the various grain crops, expressed as percentages of an average year, are expected to be as follows in the case of Jutland: wheat 92, rye 95, barley 100, oats 101, and mixed grain 101. For the islands the figures are as follows: wheat 96, rye and barley 97, oats 101, and mixed grain 99 per cent.

Potatoes and other root crops suffered somewhat from the lack of rain during July and are slightly below those of an average year. In Jutland the estimated crop figures in percentages of an average year are: potatoes 98, carrots 96, beets 96, swedes 95, turnips 95, and sugar beets 98; in the case of the islands the corresponding figures are 97, 97, 96, 96, 94 and 98 per cent respectively.

The harvesting of the hay is now completed, and the crops are satisfactory both as regards quality and quantity. The quantitative figures in percentages of an average year are as follows for Jutland: hay from cultivated fields 111, and hay from natural fields 106. For the islands the figures are 108 and 100 respectively. The condition of the pasture fields at the end of July are not quite so satisfactory, the yields being estimated at 96 per cent of an average year in Jutland, and at only 89 per cent on the islands.

### SWEDEN

The latest crop report issued by the Swedish Central Bureau of Statistics describes the condition of crops on July 15. According to this report, the

weather during June and the first half of July was warmer than normal, and the rainfall somewhat below normal. These weather conditions have, on the whole, been favourable to the grain crops, which in the case of autumn-sown wheat are considerably above medium, and slightly above medium for autumn-sown rye. The crops of most spring-sown grains are also satisfactory, being reported as slightly above medium for spring wheat and barley, considerably above medium for oats and mixed grain, and slightly below medium for spring-sown rye.

Owing to the lack of rain during the early part of the summer, potatoes and root crops were somewhat retarded in growth and suffered some damage from noxious insects. The prospects for potatoes and sugar beets are slightly above medium, and medium for other root crops. The hay crops, which have been harvested in practically all districts, came up to expectations, being good in the case of hay from cultivated fields and somewhat above medium for hay from natural fields.

#### FINLAND

According to the most recent crop report issued by the Finnish Department of Agriculture at the end of July, the promising prospects recorded earlier in the year are somewhat reduced as a result of the exceptionally dry weather experienced during June and the first half of July. Considerable damage has also been caused by noxious insects. This particularly applies to spring-sown grain, of which barley, oats, and mixed grain are reported as medium, and spring-sown wheat as slightly above medium. The autumn-sown grain has not been affected to the same extent by the drought, the crop prospects for autumn-sown rye being considerably above medium and for autumn-sown wheat above medium.

The potato crop is described as slightly above medium for the whole country and the quality is good, no dry-rot having occurred. The root crops have been considerably damaged by noxious insects, and are in some districts almost a failure. The total root crops for the whole country are below medium. The harvesting of the hay crop commenced about two weeks earlier than usual and was practically completed in the middle of July. The total crop, however, did not come up to the early spring expectations, the crop from both cultivated and natural fields being medium. The pasture lands are badly in need of rain, and their condition is reported to be below medium throughout the country.

### FOREIGN TRADE OF THE NETHERLANDS, JANUARY TO JUNE

JAMES A. LANGLEY, CANADIAN TRADE COMMISSIONER

(Quantities are in metric tons, 2,205 pounds; values are in florins or guilders, the Canadian equivalent being \$0.55 at the current rate of exchange)

Rotterdam, August 3, 1937.—According to figures which have just been published by the Central Bureau of Statistics, the improvement noticeable in the Netherlands foreign trade in 1936 has continued during the first half of 1937. During this latter period total imports were valued at fl. 746,418,000 and exports at fl. 532,255,000 as against fl. 466,446,000 and fl. 318,256,000 respectively for the corresponding months of last year. This decided increase was largely caused by the devaluation of the Netherlands currency on September 26, 1936.

The figures shown below indicate the trend of Holland's external trade quarterly since the beginning of 1935. Coin and precious metals are excluded from this table as well as from the following sections of this report.



	Imports			Exports		
	1935	1936	1937	1935	1936	1937
	Figures in Millions of Guilders					
January-March . . . . .	226	233	336	160	156	246
April-June . . . . .	229	234	410	159	163	286
July-August . . . . .	228	243	...	174	194	...
October-December . . . . .	253	307	...	182	233	...
Total for year . . . . .	936	1,017	...	675	746	...

From the above table it will be seen that during the second quarter of 1937 there was a rise of 22 per cent in the value of imports and 16 per cent in the value of exports as compared with the first quarter.

### IMPORT TRADE

The value of imports rose from fl. 466,446,000 during the January-June period of 1936 to fl. 746,418,000 for the same months of the current year—an increase of 60 per cent—whereas the volume increased from 9,354,584 tons to 10,810,188 tons, a gain of only 15.56 per cent.

The Netherlands trade returns now classify all commodities in thirteen major groups. Formerly the classification was different, so it is not possible to make a comparison with last year. Imports during the first six months of 1937 were as follows:—

	January-June, 1937	
	M. Tons	Fl. 1,000
Mining and peat industries . . . . .	4,864,838	66,681
Agriculture, cattle breeding, fisheries, forestry and hunting . . . . .	2,001,355	243,409
Foodstuff and luxury article industries . . . . .	362,767	35,584
Earthenware, cement, glass, lime and brick industries . . . . .	681,787	11,125
Chemical industry . . . . .	1,300,046	65,155
Wood, cork and straw working industries . . . . .	549,930	31,674
Paper industry . . . . .	55,567	10,782
Textile industry . . . . .	54,901	59,060
Clothing industry . . . . .	3,223	16,345
Leather, oilcloth and rubber industries . . . . .	10,310	14,250
Metal, shipbuilding and carriage industries . . . . .	879,096	176,058
Graphical and art industries . . . . .	1,522	3,841
Other branches of industry . . . . .	44,846	11,854
Total . . . . .	10,810,188	746,418

### EXPORT TRADE

As in the case of imports, the value of exports showed a much greater increase than the weight. The former rose from fl. 318,256,000 to fl. 532,255,000 or approximately 67 per cent, whereas the latter increased by only a little more than 25 per cent, namely from 6,229,526 to 7,811,253 tons.

The following table shows the value of exports of the principal Netherlands articles during the first half of 1937, with comparative figures for 1936.

	1937	1936
	Fl. 1,000	Fl. 1,000
Cotton goods . . . . .	17,604	7,226
Woollen goods . . . . .	610	435
Artificial silk yarns . . . . .	8,360	5,979
Products of engineering industries . . . . .	12,078	8,925
Radio articles . . . . .	21,447	11,063
Incandescent light bulbs . . . . .	3,640	2,283
Paper products . . . . .	10,653	7,796
Fertilizers . . . . .	13,065	9,031
Margarine . . . . .	1,510	698
Dairy products . . . . .	57,336	39,715

It will be seen from these figures that foreign shipments of cotton goods, radio articles, and dairy products have shown considerable increase in value.

## DISTRIBUTION OF TRADE

Owing to its geographical position Holland has a large foreign trade with Germany, the United Kingdom, Belgium, and France. Netherlands India, where most lines of production are in Dutch hands, is also an important source of imports and is also a large purchaser of commodities from the mother country. In addition, a fairly considerable volume of business is done with Canada, the United States, Argentina, Sweden, India, Poland, Switzerland, Soviet Russia, and Spain. The Netherlands is one of the principal buyers of Argentinian cereals, which accounts for the high value of imports from that country.

The appended figures show the value of the Netherlands foreign trade with the above named countries during the first half of 1937, with comparative figures for the corresponding period of the year before.

	Imports		Exports	
	January-June 1936	1937	January-June 1936	1937
	Figures in Thousands of Florins			
Germany . . . . .	113,180	153,791	58,383	79,757
United Kingdom . . . . .	44,065	67,064	69,537	111,702
Belgium . . . . .	53,919	89,798	37,898	59,474
Netherlands India . . . . .	36,199	57,466	18,101	39,973
United States . . . . .	36,574	62,404	18,712	31,520
France . . . . .	19,275	27,929	21,730	39,367
Argentina . . . . .	27,782	60,253	3,100	6,737
Sweden . . . . .	6,671	11,001	8,843	13,587
India . . . . .	9,450	21,932	2,885	5,617
Poland . . . . .	8,419	11,893	3,937	8,503
Switzerland . . . . .	4,521	8,588	7,131	11,866
Soviet Russia . . . . .	6,395	8,657	6,765	11,826
Spain . . . . .	6,846	5,653	4,119	8,479
Canada . . . . .	7,124	8,598	2,113	2,163

## TRADE WITH GERMANY

Imports from Germany rose from 3,341,106 to 3,864,612 tons, while the value increased from fl. 113,179,779 to fl. 153,790,998. Exports, on the other hand, dropped from 1,065,680 to 1,058,162 tons, although the value increased from fl. 58,383,395 to fl. 79,757,217. The import balance rose from fl. 55,000,000 to fl. 74,000,000.

The considerable increase of imports from Germany was due to a great extent to larger shipments of coal, coke, etc., the weight of which went up from 1,944,900 to 2,387,400 tons, and the value from fl. 12,500,000 to fl. 17,100,000. Imports of iron, steel and manufactures thereof also showed a considerable increase, namely from 198,300 tons valued at fl. 17,100,000 to 259,400 tons and fl. 30,700,000. Shipments of minerals n.o.p. and manufactures thereof rose from 593,700 to 613,800 tons; lime, cement and chalk from 104,100 to 113,100 tons; resins, gums, asphalt derivatives, etc., from 9,200 to 20,600 tons.

Exports to Germany of coal decreased from 640,600 to 563,800 tons and those of fish from 11,100 to 8,100 tons.

## TRADE WITH BELGIUM

Imports from Belgium and Luxembourg showed considerable increases, namely from 1,425,049 tons valued at fl. 53,918,796 to 1,655,885 tons with a value of fl. 89,797,836. Exports rose from 2,083,829 tons worth fl. 37,898,116 to 2,500,316 tons and fl. 59,474,339. As a result the import balance went up from fl. 16,000,000 to fl. 30,000,000.

Shipments of coal rose from 162,600 to 174,500 tons; lime, cement and chalk, from 170,200 to 185,300 tons; saltpetre and fertilizers, from 194,900 to 197,200 tons; stone, from 265,100 to 306,300 tons; iron, steel and manufactures



thereof, from 126,300 to 217,900 tons; minerals n.o.p. and manufactures thereof, from 125,500 to 182,500 tons.

Imports of wheat increased from 2,200 to 4,500 tons, while those of maize declined from 10,100 to 5,600 tons.

#### TRADE WITH THE UNITED KINGDOM

The weight of imports from the United Kingdom dropped from 707,590 to 627,075 tons, whereas the value rose from fl. 44,064,964 to fl. 67,063,971. Exports increased both in quantity and value from 597,931 tons worth fl. 69,536,951 to 734,431 tons and fl. 111,701,848. The export balance amounted to fl. 25,500,000 and fl. 45,000,000 respectively.

The decline in the weight of imports from the United Kingdom was caused chiefly by smaller shipments of coal, from 549,800 to 419,300 tons, and those of saltpetre and fertilizers from 13,400 to 5,700 tons.

#### TRADE WITH FRANCE

Imports to as well as exports from France rose both in quantity and value. The former increased from 193,965 tons valued at fl. 19,275,204 to 240,267 tons worth fl. 27,929,230, and the latter from 821,059 tons and fl. 21,730,496 to 1,220,326 tons and fl. 39,367,250. The export balance went up from fl. 2,500,000 to fl. 11,400,000.

#### TRADE WITH THE NETHERLANDS EAST INDIES

Trade with the Netherlands East Indies was also much more active than last year. Imports rose from 124,668 tons valued at fl. 36,198,512 to 176,806 tons worth fl. 57,466,404, while exports increased from 64,231 tons valued at fl. 18,101,491 to 103,031 tons and fl. 39,972,698. The import balance declined from fl. 18,000,000 to fl. 17,500,000.

Imports of copra dropped considerably, from 35,300 to 18,700 tons, but the value fell only slightly, from fl. 3,400,000 to fl. 3,000,000.

Those of coffee dropped from 6,400 to 5,800 tons and those of leaf tobacco from 5,700 to 5,100 tons.

#### TRADE WITH THE UNITED STATES

Imports from the United States rose from 314,343 tons worth fl. 36,574,160 to 459,559 tons and fl. 62,404,115, while shipments to that country increased from 166,402 tons valued at fl. 18,711,518 to 201,664 tons and fl. 31,519,627. The import balance thus went up from fl. 18,000,000 to fl. 31,000,000.

Shipments of petroleum increased from 28,600 tons to 73,100 tons; gasoline, from 38,200 tons to 63,800 tons; crude petroleum, from 33,100 tons to 92,200 tons; fodder (practically entirely linseed cake and meal), from 30,800 to 35,600 tons; minerals n.o.p. (chiefly raw phosphate), from 7,200 to 15,200 tons; wheat flour, from 9,300 to 17,000 tons; saltpetre and fertilizers, from 2,500 to 7,000 tons.

On the other hand, purchases of wheat declined from 35,100 to 21,000 tons; fresh fruits, from 13,400 to 7,900 tons; and chemicals, from 7,000 to 3,300 tons.

Exports of the following commodities from the Netherlands to the United States showed important increases: coal, vegetable oils, sugar, lime, cement and chalk, and chemicals. Exports of milk products and iron and steel declined.

#### TRADE WITH CANADA

Imports from Canada dropped in weight from 132,555 to 77,984 tons, whereas the value rose from fl. 7,124,000 to fl. 8,598,000. Netherlands shipments to the

Dominion increased slightly, both in weight and value, namely from 19,182 tons valued at fl. 2,113,000 to 21,819 tons valued at fl. 2,163,000. The import balance thus increased from fl. 5,011,000 to fl. 6,435,000.

The decline in the weight of Canadian imports is due mainly to smaller shipments of wheat, which dropped from 114,888 to 65,644 tons.

The following gives a list of the principal commodities and groups of commodities imported into the Netherlands from Canada during the first six months of 1936 and 1937.

### *Principal Imports from Canada*

Commodity	Jan.-June, 1936		Jan.-June, 1937	
	M. Tons	Fl. 1,000	M. Tons	Fl. 1,000
Total . . . . .	132,555	7,124	77,984	8,598
Salmon, fresh, salted, smoked . . . . .	24	13	27	17
Fresh sea fish n.o.p. . . . .	35	15	.....	.....
Inedible tallow and fats . . . . .	.....	.....	85	22
Animal casings . . . . .	68	9	36	7
Honey . . . . .	138	28	.....	.....
Fishmeal . . . . .	904	64	92	7
Wheat . . . . .	114,888	5,684	65,644	6,149
Rye . . . . .	3,482	111	1,414	134
Oats . . . . .	1,431	67	3,047	239
Buckwheat . . . . .	1,319	57	262	18
Fresh apples . . . . .	.....	.....	1,762	136
Dried apples . . . . .	.....	.....	103	28
Linseed cake . . . . .	615	27	154	10
Raw and semi-manufactured commodities of vegetable origin . . . . .	.....	.....	255	26
Copper, blocks and bars . . . . .	493	142	356	186
Non-insulated wire . . . . .	.....	.....	1,151	676
Zinc, blocks and bars . . . . .	.....	.....	102	25
Aluminium, blocks and sheets . . . . .	.....	.....	31	24
Asbestos . . . . .	.....	.....	185	16
Flour . . . . .	2,699	203	590	68
Toilet soap . . . . .	.....	.....	307	183
Douglas fir, logs, timber (cubic meters) . . . . .	837	15	.....	.....
Douglas fir, planks and boards (cubic meters) . . . . .	987	26	947	46
Douglas fir, plywood . . . . .	.....	.....	161	29
Sulphite pulp . . . . .	2,679	259	187	26
Wood products . . . . .	26	6	15	4
Rubber boots (pairs) . . . . .	5,999	17	4,885	16
Used jute sacks . . . . .	163	19	.....	.....
Leather gloves . . . . .	.....	.....	806	8
Building board . . . . .	360	39	361	47
Binders (units) . . . . .	21	11	.....	.....
Automobile tire casings (number) . . . . .	7,859	136	14,601	256
Automobile tire tubes (number) . . . . .	3,719	7	.....	.....

Details of exports of Netherlands merchandise to the Dominion during the first half of 1937 as compared with the corresponding period of the preceding year are shown in the following table:—

### *Principal Exports to Canada*

Commodity	Jan.-June, 1936		Jan.-June, 1937	
	M. Tons	Fl. 1,000	M. Tons	Fl. 1,000
Total . . . . .	19,182	2,113	21,819	2,163
Pickled herring . . . . .	.....	.....	75	11
Rapeseed . . . . .	.....	.....	15	3
Poppyseed . . . . .	22	4	21	5
Caraway seed . . . . .	25	6	20	6
Mustard seed . . . . .	84	8	143	19
Vegetable seeds . . . . .	15	8	20	14
Strawberry pulp . . . . .	.....	.....	139	25
Preserved vegetables . . . . .	.....	.....	111	16
Bulbs . . . . .	40	18	37	23
Nursery stock . . . . .	322	99	430	132
Products of vegetable origin n.o.p. . . . .	31	9	39	14
Wire netting . . . . .	110	14	63	11
Potato flour . . . . .	.....	.....	1,082	73
Dextrine . . . . .	236	22	533	67
Non-specified chemical products . . . . .	123	47	142	59
Paint products . . . . .	1,136	119	809	107



*Principal Exports to Canada—Concluded*

Commodity	Jan.-June, 1936		Jan.-June, 1937	
	M. Tons	Fl. 1,000	M. Tons	Fl. 1,000
Sesame oil . . . . .	28	5	.....	....
Cocoa butter . . . . .	48	21	.....	....
Raw pelts . . . . .	.....	.....	7	31
Rope and twine . . . . .	5,049	1,028	1,715	464
Fishing nets . . . . .	2	11	17	36
Dyed cotton piece-goods . . . . .	2	3	3	8
Multi-coloured cotton piece-goods . . . . .	36	64	56	111
Table and household linen . . . . .	.....	.....	6	14
Carpets and mats of jute . . . . .	3	2	4	3
Printing and writing paper . . . . .	22	5	.....	....
Greaseproof parchment paper . . . . .	.....	.....	27	7
Cocoapowder . . . . .	47	12	47	18
Implements n.o.p. . . . .	.....	.....	3	16
Woollen and cotton rags . . . . .	674	106	480	98

**ECUADOREAN IMPORT AND EXCHANGE CONTROL**

M. J. VECHSLER, CANADIAN TRADE COMMISSIONER

Lima, August 16, 1937.—A decree has been issued by the Ecuadorean Government under date July 31, 1937, and published under date August 1, wherein it is stated that the appropriation of exchange originating from Ecuadorean exports is to be derogated from that date with resulting free export through all ports of that republic. The Minister of Finance is to fix the conversion rate of sucres in terms of United States dollars at which customs liquidations are to be effected, and according to Article 5 of the aforementioned decree, customs import duties and additional are to be paid in dollars.

In addition to the foregoing, the decree provides for the importation of a number of items, enumerated below, for which it is no longer necessary for importers to obtain import permits:—

Powdered and malted milk; canned goods, of fish, not provided for; sardines prepared in any form; flour; pure olive oils; rice in any form; lentils, beans, Tonca beans, and beans of other varieties; hulled or unhulled barley; maize in any form; sugar; fresh and powdered yeast; paraffines and other waxes in blocks; ordinary vaseline including petrolatum; Roman Portland cement; slates and slate pencils for schools; fire, refractory, or non-fusible bricks; linseed oil, white lead, oil of turpentine, etc.; anilines, indigos, blues, etc.; extracts for staining woods and for dyeing; boric, stearic, sulphuric, and tannic acids; pharmaceutical and chemical products; disinfectants such as "Kreso," Creoline, iodine, and stearine in general commercial form; emetine for tanners; insecticides in any form; magnesium sulphate, magnesium chlorate, and sulphate of soda; oxygen in any packing and ozone; paste for printing cylinders; quinine, potash, etc.; oleaginous seeds in general; medicines, silicate of soda, etc.; serums, vaccines, and injections; drugs, alkaloids, chemical products, etc.; cast iron, piping and tubing; pots of cast iron such as kitchen utensils; heavy iron articles for construction purposes; iron tubing and accessories; flat or stamped tinplate; steel in large pieces, bars, sheets, etc.; ordinary and cheap cutlery; kitchen, butchering, shoemakers' knives, etc.; razors and razor blades for shaving; scissors of various kinds; sewing machine and baling needles, etc.; wire in general and metallic cloth; fish-hooks of any metal; bolts, nuts, and rivets; padlocks; flat and serrated keys; staples for barbed-wire fencing, etc.; axes and hatchets; tools for artisans and agriculturists; surgical instruments; plates for domestic services; writing pens; clichés for printing and other articles of copper; tin in bars, ingots, and sheets; type and type metal for printing; gold, platinum, and other metals; apparatus and machines for mowing, gleaning, threshing, etc.; large motors operated by steam or gasoline; electrical commutators; rubber or woollen belting for machines; dynamos, motors, generators, and various electrical machines; linotype machines and their parts; machines for industrial purposes; machinery for the manufacture of sugar; pulleys of any material; printing machines and their accessories; cream separators; circular saws of any kind; fire hose, its repairs, and hose for machinery; machines for making butter; typewriter and calculating machine ribbons; soldering apparatus; hand-sewing machines; repairs for trucks; electrical accessories in general; storage batteries and electric lamps; motors, magnetos, refrigerators (electrical); accessories for telegraphs; automobile repairs; freight trucks; tires for freight trucks and automobiles; tractors and their parts; cork stoppers; cardboard sheets; books, reviews, and newspapers; wrapping paper; paper in ribbons for mechanical apparatus; cigarette papers; copy paper; newsprint; plain writing-

paper; hygienic paper; antiseptic and medicated cotton; raw cotton; thread in spools and skeins; lamp wicks; canvas or duck for sail cloths and other uses; cotton shirts, stockings, suspensories, and cotton fabrics; medicinal bandages and gauzes; housings of jute, ramie, and sisal; jute for the manufacture of jute bags; machinery belting of hair or wool; raw wool and wool threads; natural or artificial fertilizers; precision and scientific instruments; graphite pencils; live plants; prime materials in general for established industries.

## ECONOMIC CONDITIONS IN THE REPUBLIC OF HONDURAS, 1936

S. G. MACDONALD, ACTING TRADE COMMISSIONER

(One lempira equals \$0.50 Canadian)

Mexico City, August 23, 1937.—The Republic of Honduras (commonly called Spanish Honduras to distinguish it from the Crown Colony of British Honduras) has an area of approximately 45,000 square miles and a population of about 850,000, the majority being engaged in some form of agricultural pursuit. The country is divided into two zones known as Southern Honduras and Northern Honduras. The commercial centre of the former and the largest city in the Republic is Tegucigalpa, the capital, with 47,000 inhabitants; the port of entry for Southern Honduras is Amapala on the Pacific side. San Pedro Sula is the principal commercial centre for Northern Honduras; on its northern boundary are located the ports of Puerto Cortes, Tela, La Ceiba and Puerto Castilla.

The country is for the most part undeveloped. With the exception of gold and silver mining operations and the development of a large scale banana industry there are few outlets for native labour except on their own properties, often deep in the jungle.

### BANANA PRODUCTION AND EXPORTS

In 1934 exports of bananas from Honduras totalled some 19,950,000 stems. There has been a steady falling off from this figure to only 12,229,189 stems (\$5,964,734) for the crop year 1935-36, or 13,380,000 stems for the calendar year 1936. Prospects for the 1936-37 crop were not bright at the turn of the year, and it was estimated that a further drop in production of some 2,000,000 stems was likely. Bananas account for 80 per cent of the country's exports.

### AGRICULTURE AND INDUSTRY

While bananas are the most important of the agricultural products of Honduras, coconuts are also raised in large quantities, and the production of citrus fruits, sugar, coffee, maize, rice, beans and hardwoods adds to the wealth of the country. Until several years ago Canada was an important purchaser of Honduran sugar, but in latter years no purchases have been made, and citrus fruits, particularly grapefruit, have become the most important Canadian purchase from Honduras. These agricultural products, together with silver and gold bullion, account almost entirely for the exports of Honduras over and above the 80 per cent taken up by bananas. Manufacturing within the republic is unimportant and is confined to meeting the local requirements in cigarettes, soap, shoes, candles, hats, liquors and mineral waters. During 1936 there was no appreciable increase in the production of these commodities.

The 1936 crops were generally good and, while their returns do not bulk large in the total trade of the country, they were of considerable importance owing to the adverse banana situation. The fiscal year ended July 31, 1936, showed an increased export of some 15 per cent for gold and silver over the previous year. Gold production in 1935-36 totalled 27,054 ounces (\$973,404) as against 13,164 ounces (\$457,580) in 1934-35. Figures of silver production for these years are 2,796,944 ounces (\$1,475,443) and 2,755,881 ounces (\$1,549,415).



## GOVERNMENT FINANCES

For the fiscal year ended July 31, 1936, the budget amounted to L.11,741,478, which was increased by supplementary estimates to L.14,009,826. The revenue was L.12,688,680 and expenditures L.12,684,469. It would appear, however, that some items in the statement are not complete, and consequently there was an actual deficit on the year's operations. The economic situation within the country has been at such a low ebb during the past several years, particularly in 1936, that it is quite unlikely the revenues for the fiscal year 1936-37 will meet expenditures, and a further budgetary deficit of some importance is practically certain.

On July 31, 1936, the total debt of the republic amounted to L.28,298,758, an increase of L.522,058 as compared with the figure for the corresponding date in the previous year. Of the national debt some L.21,774,852 was internal, an increase of L.1,003,553, while the external debt was reduced by L.481,495 to L.6,523,876.

## FOREIGN EXCHANGE

There were no variations in the rates fixed by the Commission of Control during 1936, the buying rate being L.2 and the selling rates L.2.04 to the United States dollar in the interior of the republic and L.2.02½ on the north coast. (See *Commercial Intelligence Journal* No. 1722: January 30, 1937, page 147.) The exchange available at the commencement of the fiscal year 1935-36 amounted to \$1,179,320 (U.S. currency), which was augmented by \$7,455,697 during the year. Consumption totalled \$7,413,836, leaving a balance for trade at the end of the fiscal year of \$1,221,178, a slight advance over the same date in 1935. Since the establishment of the control of exchange in 1934 there has been no shortage for commercial transactions. The bulk of the exchange is regularly supplied by the fruit companies, but owing to their curtailed operations in 1936 the supply did not equal the demand. One feature, however, which appeared to correct the situation, was the reduced volume of imports, particularly during the latter months.

## BUSINESS CONDITIONS AND COLLECTIONS

On the whole, commercial activity, both in Southern and Northern Honduras, was at a lower level during 1936 than in the preceding year. Mercantile credits throughout the period were in general restricted, and collections, although better in the North, were slow. Foreign payments likewise suffered, as liquid resources were utilized to cover customs duties, and certain shippers to Honduras were obliged to apply the protest clause to ensure payment of bills at maturity.

## EXCHANGE CONTROL AND IMPORT RESTRICTIONS IN JAPAN

T. J. MONTY, ASSISTANT TRADE COMMISSIONER

Tokyo, August 2, 1937.—As reported in *Commercial Intelligence Journal* No. 1733 (April 17, 1937), page 625, a new ordinance was promulgated on January 8 providing for stricter control than that which existed previously with regard to the granting of foreign exchange; the new provisions were to remain in force until July 31, 1937.

Additional and extensive revisions have now been made to the ordinance of January 8, relating to the import exchange licensing system, and to the Foreign Exchange Control Law of 1933, in order to eliminate loopholes in the previous legislation which permitted of the flight of capital. These revisions came into effect on July 7 and July 15, 1937.

These amendments, which prolong indefinitely the control over the granting of foreign exchange, may be briefly summarized as follows:—

1. The minimum amount for which an import licence is required by the authorities before foreign exchange is granted has been reduced from 30,000 yen

a month to 1,000 yen a month. The effect of this provision will be to afford stricter control over imports, as the privilege of free exchange deals of less than 30,000 yen has been found to have been abused.

2. Regulations dealing with foreign exchange transactions and the granting of letters of credit have been made more strict by the requirement of a permit for: (a) remittances of dividends or business profits abroad; (b) acquisition and payment for foreign patents and industrial rights; (c) remittances to travellers and residents abroad, if the amount involved exceeds 5,000 yen a year.

3. Importers who are required to submit reports as to previous years' imports will have to submit 1936 exchange accounts according to commodities, together with monthly settlements of these accounts and balances. Exporters will be required to submit reports stating whether shipments are accompanied by exchange bills or not. Also foreign exchange banks will be required to report transactions in foreign exchange and letters of credit.

#### EFFECT OF REVISION

The most important effect expected of these revisions and of the resultant stricter enforcement of exchange control will be the restriction of imports of articles which are not considered as essential or indispensable to local economy.

With respect to imports from Canada no detrimental effects have yet been felt apart from delays in the granting of import licences. Imports from Canada consist mainly of raw materials required by Japan. Imports of so-called luxury goods from the Dominion are limited both in quantity and in value.

### CHINA'S TEA TRADE

H. A. SCOTT, CANADIAN TRADE COMMISSIONER

Shanghai, July 29, 1937.—Tea, which was first introduced into Europe on a commercial scale during the latter part of the seventeenth century, has been used as a beverage by the Chinese since about 500 A.D. It is grown extensively in nearly every province of Central and South China, and before the development of tea cultivation in India, Ceylon, Japan, and the Netherlands East Indies this country enjoyed a world monopoly.

China's export trade in tea reached its peak in the 80's of the last century, exports being recorded as high as 295,000,000 pounds in 1886. Since then, in spite of increasing world consumption, exports from China have undergone a drastic decline, while those from India, Ceylon, Netherlands Indies, and Japan have been increasing, due to more scientific and economical methods of production and uniformity of grades. In the case of India and Ceylon the advantage in recent years of a tariff preference of twopence per pound in the United Kingdom, the chief outlet for black teas, has been an additional factor in assisting these two countries to consolidate their position in that market.

Exports of China teas, except for the best grades which have continued to bring high prices, principally on the London market, have seriously fallen off. A considerable quantity of lower quality China tea is used for mixing purposes.

#### EXPORTS

The extent of the decline in exports, as compared with the record figure established in the latter part of the nineteenth century, is indicated by the following table showing total exports according to the main types of tea by volume for the past three years:—

	1934	1935	1936
	Quintals	Quintals	Quintals
Black tea.. . . .	149,730	104,752	96,030
Green .. . . .	151,789	154,008	155,931
Brick .. . . .	129,634	96,912	90,876
Unfired leaf.. . . .	4,066	3,758	6,300
Other kinds .. . . .	35,273	21,974	23,706
	470,492	381,404	372,843



Exports to the principal consuming countries during 1935 and 1936, according to volume and value (in Chinese dollars), are as follows:—

	1935		1936	
	Quintals	\$	Quintals	\$
U.S.S.R. (Russia) . . . . .	115,591	3,989,482	96,261	2,829,001
Morocco . . . . .	79,821	10,330,732	85,421	11,048,961
Great Britain . . . . .	33,112	2,960,848	35,094	3,169,233
Hongkong . . . . .	23,277	1,308,935	29,493	1,669,479
United States . . . . .	33,518	2,876,531	28,407	2,690,782
Algeria . . . . .	15,826	2,134,748	18,134	2,514,529
Germany . . . . .	17,827	1,224,158	16,128	1,279,416
British India and Burma . . . .	18,582	812,209	15,030	777,846
France . . . . .	5,290	460,549	7,211	842,953
Netherlands . . . . .	3,954	448,252	6,877	719,082
Straits Settlements and Feder- ated Malay States . . . . .	4,371	387,768	5,377	456,371
Tripoli . . . . .	4,152	497,116	114	12,173
Canada . . . . .	1,024	85,202	2,639	180,898

One quintal=220 pounds; one standard Chinese dollar=approximately 30 cents U.S. currency.

Prior to the World War, black and brick teas constituted the bulk of China's exports, with green tea usually in third place. For some time past, however, while total exports have decreased, green tea has held its own, due to the growing consumption of this variety in several countries of North Africa. From about 1926 it has usually ranked first among China's tea exports. Great Britain and U.S.S.R. (Russia) have remained the chief buyers of black and brick teas respectively.

#### DOMESTIC CONSUMPTION

Although it is impossible, in the absence of statistics, to gauge with any accuracy the domestic consumption of tea in China, it has been estimated that approximately 90 per cent of the total output of all teas is consumed in this country. The Chinese mainly favour the green varieties.

#### CHIEF TYPES EXPORTED

For export purposes teas are usually classified according to the difference in quality and methods of preparation. Although there are many different grades, according to districts, known to the trade, for general purposes black teas can be divided roughly into four main types, namely, Congous, Keemuns, Souchongs, and Wenchows. The leading varieties of green teas consist of Gunpowder, Chum-mee, Young Hyson, and Hyson. The cost of China teas varies greatly according to grades. For example, at the beginning of this season the finest types of Keemun black teas, which are disposed off chiefly on the London market, were quoted at around Chinese \$300 per 100 pounds f.o.b. Shanghai, whereas the commonest greens opened the season at about Chinese \$20.

The principal tea-exporting centres are Shanghai, Hankow, and Foochow, of which the first mentioned is by far the most important, being responsible for practically all of China's green tea exports as well as a substantial proportion of the black varieties. Hankow deals more with the lower grades of black and brick teas, and Foochow handles a variety of blacks, including scented teas. The tea-selling season commences in April or May and lasts approximately from six to eight months. Sales are usually negotiated according to established standard grades and against samples of new teas sent to interested buyers each season. Tea chests vary in size; black teas are usually packed in chests of 60 to 70 pounds and greens in those of from 65 to 90 pounds.

#### EFFORTS TO INCREASE TEA EXPORTS

Future prospects for China's tea industry have occasioned considerable concern to the National and Provincial Governments as well as to the export houses

engaged in the trade. A closer supervision of the actual manufacture of tea is being urged, together with improved methods of pruning and planting and a generally greater care of the tea-bush. Conditions in China render such supervision difficult as compared with those employed in India, Ceylon, or the Netherlands East Indies, where tea is cultivated on efficiently operated estates under European and trained native supervision.

Efforts made by the various government authorities concerned with the tea industry have until recently met with meagre results. Last year, however, the Provincial Governments of Anhwei and Kiangsi, two of the most important tea-producing provinces, established a joint marketing commission designed to improve the methods of production, transportation, and distribution. Furthermore, the National Government has recently announced the formation of a semi-official organization known as the China National Tea Corporation, with the object of regenerating what at one time was one of China's most important industries. Since its formation, an experienced British tea expert has been employed as a technical adviser.

The China National Tea Corporation plans to control as large a share as possible of the tea crops next season, and representatives will be sent abroad for the purpose of canvassing markets. The feature of the tea trade at the present time is the increased interest being displayed in this country by the National Government and the various provincial authorities to revive the demand abroad for China teas.

#### CANADIAN DEMAND

China supplies a very small percentage of Canada's tea requirements (0.6 per cent in 1936). The duty on China tea imported into Canada is 8 cents per pound, whereas Indian and Ceylon teas enter under the Empire preference rate of 4 cents per pound.

According to exporters in China the demand in Canada for China teas is confined chiefly to common grades of Congou blacks, and it is understood that Japan in recent years has been obtaining most of the business in these types of teas at the expense of China. The consumption of green tea in Canada appears to be declining, and the opportunity for developing exports to the Dominion is limited chiefly to the cheaper priced black Congou teas.

### TENDERS INVITED

#### Australia

FREDERICK PALMER, CANADIAN TRADE COMMISSIONER

Melbourne, July 19, 1937.—The Secretary for Railways of the State of Victoria, Australia, has issued a call for tenders for the supply of boiler equipment and accessories for an extension to one of the main power stations.

The equipment desired is to consist of boilers with a rating (overload) of 187,500 pounds per hour, and intending contractors are requested to supply two alternative tenders: one for a working pressure of 400 pounds per square inch with a temperature of 750 degrees Fahrenheit and the other for a working pressure of 600 pounds per square inch and a temperature of 800 degrees.

While it may not be possible for Canadian firms to submit tenders on the entire installation required, manufacturers of certain accessories might be interested in parts of the tender.

The equipment required comprises the following: ash handling equipment (could be made in Melbourne under arrangement), grit and fly ash handling equipment, reducing valves, motors and switchgear, control panels and instru-



ments, combustion equipment, economizer, feed meter regulators, coal weighers, pulverized fuel equipment, steam flow meters, automatic boiler control equipment, and oil-burning ignition equipment.

Copies of specifications and drawings are available for inspection by interested Canadian manufacturers of such equipment on application to the Department of Trade and Commerce (quoting file No. 29077).

The tenders for this contract will close on December 22, 1937.

## TRADE AGREEMENT BETWEEN CANADA AND THE UNITED KINGDOM FORMALLY IN FORCE SEPTEMBER 1

With reference to announcements in *Commercial Intelligence Journal* No. 1727 (March 6), No. 1729 (March 20), and No. 1734 (April 24) concerning the trade agreement between Canada and the United Kingdom signed February 23, 1937, the date agreed upon between the two Governments for bringing the agreement into force under the terms of Article 17 is September 1, 1937. The new tariff concessions provided in this agreement were already brought into effect by the Canadian budget introduced February 25 and the United Kingdom budget introduced April 20.

## TARIFF CHANGES AND CUSTOMS REGULATIONS

### Federated Malay States

#### TARIFF CHANGES

Mr. B. C. Butler, Canadian Trade Commissioner in Singapore, cables that, effective August 26, 1937, the Federated Malay States, among other tariff changes, removed the general tariff on jams, marmalade, mushrooms, meat and soups, canned and bottled. These goods, in metal, glass or earthenware containers, were formerly dutiable at 15 per cent ad valorem under the general tariff and free under the British preferential tariff, applicable to Canada and other Empire countries.

### Mexico

#### CONTROL STANDARDS FOR BIOLOGICAL PREPARATIONS

Mr. S. G. MacDonald, Assistant Trade Commissioner in Mexico City reports under date August 18, 1937, that by a Presidential Decree of March 27, 1937, control standards for the sale of biological preparations were provided for. Two groups of preparations are indicated in the decree: (1) comprising hormones and organic preparations, vitamins and medicinal products containing them, drugs of determined physiological action, and arsenicals intended for the treatment of syphilis; and (2) drugs or preparations made from organs or tissues, the biological control of which is not officially established by the Biological Standardization Commission of the League of Nations. By an original decree these standards were effective 90 days thereafter, but by a subsequent decree of July 6, 1937, the effective date has been postponed until December 31, 1937.

#### REGISTRATION OF FOODSTUFFS AND BEVERAGES

With reference to the notes appearing in *Commercial Intelligence Journal* No. 1718 (January 2, 1937), page 32; No. 1723 (February 6, 1937), page 184; and No. 1736 (May 8, 1937), page 817; Mr. S. G. MacDonald, Assistant Trade Commissioner in Mexico City, reports under date August 18, 1937, that the Mexican Department of Public Health now requires the placing of a label on all imported packages of foods and beverages showing the name and address of the Mexican importer or distributor. Without this label the goods may not be sold or offered for sale in Mexico. It is not required, however, that this label be placed on the package prior to importation; it may be added to the customary labels by means of a sticker applied by the importer or representative after the goods have passed through the Mexican Customs House.

## FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING AUG. 30, 1937

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, August 30, and for the week ending Monday, August 23, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Aug. 23	Nominal Quotations in Montreal Week ending Aug. 30	Official Bank Rate
Austria . . . . .	Schilling	.1407	\$ .1885	\$ .1886	3½
Belgium . . . . .	Belga	.1001	.1684	.1686	2
Bulgaria . . . . .	Lev	.0072	.0129	.0129	6
Czechoslovakia . . . . .	Krone	.0296	.0349	.0349	3
Denmark . . . . .	Krone	.2680	.2227	.2216	4
Finland . . . . .	Markka	.0252	.0220	.0220	4
France . . . . .	Franc	.0392	.0375	.0373	4
Germany . . . . .	Reichsmark	.2382	.4022	.4016	4
Great Britain . . . . .	Pound	4.8666	4.9875	4.9675	2
Greece . . . . .	Drachma	.0130	.0090	.0090	6
Holland . . . . .	Guilder	.4020	.5518	.5513	2
*Hungary . . . . .	Pengo	.1749	.2955	.2955	4
Italy . . . . .	Lira	.0526	.0526	.0526	4½
Jugo-Slavia . . . . .	Dinar	.0176	.0231	.0230	5
Norway . . . . .	Krone	.2680	.2506	.2495	4
Poland . . . . .	Zloty	.1122	.1890	.1890	5
Portugal . . . . .	Escudo	.0442	.0451	.0449	4½
Roumania . . . . .	Leu	.0060	.0073	.0073	4½
Spain . . . . .	Peseta	.1930	.....	.....	5
Sweden . . . . .	Krona	.2680	.2572	.2560	2½
Switzerland . . . . .	Franc	.1930	.2297	.2295	1½
United States . . . . .	Dollar	1.0000	1.0000	1.0000	1
Mexico . . . . .	Peso	.4985	.2775	.2775	4-5
Cuba . . . . .	Peso	1.0000	.9992	.9992	—
Guadeloupe . . . . .	Franc	.0392	.0375	.0373	—
Jamaica . . . . .	Pound	4.8666	4.9975	4.9775	—
Martinique . . . . .	Franc	.0392	.0375	.0373	—
Other British West Indies	Dollar	1.0138	1.0370	1.0350	—
Argentina . . . . .	Peso (Paper)	.4245	.3325	.3310	3½
		Unofficial	.3010	.3015	—
Brazil . . . . .	Milreis (Paper)	.1196	.0637	.0640	—
British Guiana . . . . .	Dollar	1.0138	1.0370	1.0350	—
Chile . . . . .	Peso	.1217	.0517	.0513	4½
		Unofficial	.0417	.....	—
Colombia . . . . .	Peso	.9733	.5701	.5701	4
Peru . . . . .	Sol	.2800	.2600	.2600	6
Venezuela . . . . .	Bolivar	.1930	.3137	.3137	—
Uruguay . . . . .	Peso	1.0342	.7917	.7921	—
South Africa . . . . .	Pound	4.8666	4.9812	4.9612	3½
Egypt . . . . .	Pound (100 Piastres)	4.9431	5.1200	5.0900	—
China (Shanghai) . . . . .	Dollar	.....	.2994	.2994	—
Hongkong . . . . .	Dollar	.....	.3115	.3104	—
India . . . . .	Ruppee	.3650	.3765	.3748	3
Japan . . . . .	Yen	.4985	.2907	.2896	2.92
Java . . . . .	Guilder	.4020	.5518	.5513	—
Siam . . . . .	Baht (Tical)	.4424	.4572	.4553	—
Straits Settlements . . . . .	Dollar	.5678	.5850	.5825	—
Australia . . . . .	Pound	4.8666	3.9900	3.9740	3
New Zealand . . . . .	Pound	4.8666	4.0225	4.0060	2
		* Unofficial:	.1978	.1975	—

The Dominion Bureau of Statistics has supplied the following note:—

Moderate declines in sterling and Japanese yen rates occurred at Montreal during the final week of August. Sterling has moved gradually downward from \$4.9927 on August 18 to \$4.9669 on the 28th, but gained fractionally on the 30th. Losses in yen exchange have been small, and the yen ended the week just below 29 cents, still 20 points above levels of early July. Both forward and spot rates on the French franc were practically unchanged, the unusual stability in the former apparently reflecting support from the French Stabilization Fund, which had previously allowed forward positions to fluctuate freely. The recent return to par of the Canadian dollar in New York has been accompanied by shipments of gold from Canada. Receipts of Canadian gold in the United States exceeded \$3,000,000 for the week ended August 25.



## TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

### Secretary, Board of Trade—

Saint John, N.B.  
Halifax, N.S.  
Quebec, P.Q.  
Montreal, P.Q.  
Toronto, Ont.

Chatham, Ont.  
Kitchener, Ont.  
Stratford, Ont.  
Woodstock, Ont.  
St. Mary's, Ont.

Portage la Prairie, Man.  
St. Boniface, Man.  
Winnipeg, Man.  
Vancouver, B.C.  
New Westminster, B.C.

### Secretary, Chamber of Commerce—

Sherbrooke, P.Q.  
Kingston, Ont.  
Oshawa, Ont.

Belleville, Ont.  
Peterborough, Ont.  
London, Ont.

Hamilton, Ont.  
Victoria, B.C.  
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

### Secretary, Canadian Manufacturers Association—

Toronto, Ont.  
Montreal, P.Q.

Winnipeg, Man.  
Edmonton, Alta.

Vancouver, B.C.  
Victoria, B.C.

The Maritime Provinces Trade Commissioner, 122 Federal Building, Toronto, Ont.

The Bureau of Provincial Information, Victoria, B.C.

**Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.**

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Foodstuffs—</b>			
Canned Salmon.....	599	Lima, Peru.....	Purchase and/or Agency.
Fruits (Canned).....	600	Lima, Peru.....	Purchase and/or Agency.
Fruits (Dried).....	601	Lima, Peru.....	Purchase and/or Agency.
Maple Sugar.....	602	Birmingham, England....	Purchase and/or Agency.
Wheat Flour.....	603	Shanghai, China.....	Purchase.
Wheat Flour.....	604	Ciudad Trujillo, Dominican Republic.	Agency.
<b>Miscellaneous—</b>			
Wheat Offals and Wheat Feeds for Cattle Food Manufacture.	605	Liverpool, England.....	Agency.
Oats.....	606	Santiago de los Caballeros, Dominican Republic.	Agency.
Newsprint.....	607	Ciudad Trujillo, Dominican Republic.	Agency.
Newsprint Paper.....	608	Lisbon, Portugal.....	Purchase and Agency.

TRADE INQUIRIES—*Concluded*

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Miscellaneous—<i>Con.</i></b>			
MF and MG Regular Kraft Wrapping Paper (for Cuba and Colombia).	609	New York, U.S.A.....	Purchase.
Wrapping Paper.....	610	Santiago de los Caballeros, Dominican Republic.	Agency.
Paper Bags.....	611	Ciudad Trujillo, Dominican Republic.	Agency.
Paper Bags.....	612	Lima, Peru.....	Purchase and/or Agency.
Broom Handles, Clothes-pegs, and Woodenware Generally.	613	Glasgow, Scotland.....	Purchase.
Pacific Coast Fir and Pine Plywood (for Madeira).	614	New York, U.S.A.....	Purchase.
Hardwood in the Rough.....	615	New York, U.S.A.....	Purchase.
Lumber.....	616	Lima, Peru.....	Agency.
Alkali Blue.....	617	London, England.....	Purchase.
Upper Leather.....	618	Shanghai, China.....	Agency.
Insoling Board.....	619	Northampton, England....	Purchase.
Heeling Board.....	620	Northampton, England....	Purchase.
Galvanized Corset Wire.....	621	Bristol, England.....	Purchase.
American Type Shovels (for Philippine Islands).	622	New York, U.S.A.....	Agency.
Small Tools.....	623	Sydney, Australia.....	Agency.
Cutlery.....	624	Melbourne, Australia.....	Agency.

**PROPOSED SAILINGS FROM CANADIAN PORTS**

(The sailing dates are approximate and subject to change without notice)

**From Montreal**

*To Liverpool.*—Duchess of Richmond, Sept. 11; Duchess of Bedford, Sept. 17; Duchess of Atholl, Sept. 24; Duchess of York, Oct. 1—all Canadian Pacific; Andania, Sept. 10; Antonia, Sept. 24—both Cunard-White Star Line; Vardefjell, Fjell Line, Sept. 24.

*To London.*—Beaverhill, Sept. 10; Beaverford, Sept. 17; Beaverdale, Sept. 24; Beaverbrae, Oct. 1; Beaverburn, Oct. 8—all Canadian Pacific; Alaunia, Sept. 10; Ausonia, Sept. 17; Ascania, Sept. 24; Aurania, Oct. 1—all Cunard-White Star Line; Rutenfjell, Sept. 14; Taborfjell, Sept. 25—both Fjell Line.

*To Manchester.*—Manchester Brigade, Sept. 9; Manchester City, Sept. 16; Manchester Citizen, Sept. 23; Manchester Regiment, Sept. 30; Manchester Commerce, Oct. 7; Manchester Port, Oct. 14—all Manchester Line; Vardefjell, Fjell Line, Sept. 24.

*To Southampton.*—Montrose, Canadian Pacific, Sept. 10 and Oct. 2.

*To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—Dorelian, Sept. 9; Dakotian, Sept. 28; Norwegian, Oct. 16—all Cunard-Donaldson and Dominion Lines; New York City, Sept. 18; Bristol City, Oct. 6—both Bristol City and Dominion Lines.

*To Glasgow.*—Sulairia, Sept. 10; Athenia, Sept. 17; Delilian, Sept. 24; Letitia, Oct. 1—all Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Cairnglen, Sept. 8; Cairnmona (calls at Dundee), Sept. 22; Cairnross, Sept. 29; Cairnvalona, Oct. 6; Cairnesk (calls at Dundee), Oct. 13—all Cairn-Thomson Line.

*To Aberdeen and Hull.*—Kelso, Sept. 24; Gitano, Oct. 12—both Ellerman's Wilson Line.

*To Dublin and Belfast.*—Kenbane Head (cargo accepted for Cork), Head Line, Sept. 25.

*To Antwerp and Havre.*—Beaverhill, Sept. 10; Beaverford, Sept. 17; Beaverbrae, Oct. 1; Beaverburn, Oct. 8—all Canadian Pacific (do not call at Havre); Rutenfjell, Sept. 14; Taborfjell, Sept. 25—both Fjell Line (do not call at Havre); Flint II, Sept. 22; Grey County, Oct. 5; Brant County, Oct. 17—all County Line.

*To Rotterdam.*—Hada County, Sept. 17; August, Oct. 9—both County Line; Rutenfjell, Sept. 14; Taborfjell, Sept. 25—both Fjell Line.



*To Hamburg and Bremen.*—Bochum, Hamburg-American Line, Sept. 17; Beavertdale (does not call at Bremen), Canadian Pacific, Sept. 24; Chenmitz, North German Lloyd Line, Oct. 15.

*To Copenhagen, Gothenburg and Baltic Ports.*—Korsholm, Sept. 25; Ragnhildsholm, Oct. 23—both Swedish-America-Mexico Line.

*To Norwegian Ports.*—Vardefjell, Fjell Line, Sept. 24.

*To Marseilles, Genoa, Naples, Messina, Palermo, Lisbon and Leghorn.*—Capo Noli, Sept. 18; Capo Lena, Oct. 9—both Capo Line.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Eikhaug (calls at Bay Roberts, Carbonear and Port Union but not at St. Pierre), Shaw SS. Co., Sept. 9 and Oct. 14; Belle Isle, Newfoundland-Canada SS., Sept. 10 and 24.

*To Corner Brook, Nfld.*—New Northland, Sept. 13; North Voyageur, Sept. 27—both Clarke SS. Co.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Cornwallis, Sept. 16; Colborne, Sept. 30—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Hamilton (Bermuda), Nassau (Bahamas), Kingston (Jamaica) and Belize (British Honduras).*—Cavelier (does not call at Hamilton or Nassau), Sept. 10; Lady Somers, Sept. 15; Cathcart (does not call at Hamilton or Nassau), Sept. 24; Lady Rodney, Sept. 29—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer, Ocean Dominion SS. Corp., Sept. 10 and 24.

*To Brisbane, Sydney and Melbourne.*—City of Delhi (calls at Adelaide if sufficient inducement offers), Montreal-Australia-New Zealand Line, Sept. 30.

*To Auckland, Wellington, Lyttelton and Dunedin.*—Australind, Montreal-Australia-New Zealand Line, Sept. 21.

*To Sierra Leone, Walvis Bay, Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques and Beira.*—Eboe (does not call at Sierra Leone, Walvis Bay, Lourenco Marques or Beira), Sept. 10; Cochrane, Sept. 27—both Elder-Dempster Lines Ltd.

*To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Singapore, Madras, Rangoon and Calcutta.*—City of Guilford, Sept. 15; City of Johannesburg, Sept. 30—both Canada-India Service.

*To Belawan Deli, Penang, Port Swettenham, Singapore, Batavia, Cheribon, Samarang, Soerabaya and Macassar.*—Tabian, Java-New York-Blue Funnel Line, Sept. 10.

*To Yokohama, Kobe and Osaka.*—City of Canton, Canada-Far East Line, Sept. 27.

*To Manila, Hongkong, Shanghai and Dairen.*—City of Singapore, Sept. 30; Adrastus (does not call at Dairen), Oct. 12—both Ellerman & Bucknell SS. Co.

*To Santos and Buenos Aires.*—Hektor, International Freighting Corp., Sept. 22.

### From Quebec

*To Southampton.*—Empress of Britain, Sept. 11 and 25; Empress of Australia, Sept. 16—both Canadian Pacific.

### From Saint John

*To London, Hull, Aberdeen and Newcastle.*—Cavallo, Ellerman's Wilson Line, Sept. 9.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Drake, Sept. 15; Lady Nelson, Sept. 29—both Canadian National.

*To Kingston and Jamaican Outports.*—Crawford Ellis (cargo accepted for transhipment to Central and South American ports), United Fruit Co., Sept. 10 and 24

### From Halifax

*To Liverpool.*—Manchester Exporter, Sept. 11; Manchester Division, Sept. 27—both Manchester Line; Nova Scotia, Sept. 21; Newfoundland, Oct. 9—both Furness Line.

*To London.*—Maasdam, Sept. 11; Edam, Sept. 27—both Holland-America Line; Capulin, Sept. 15; City of Flint, Sept. 29; Lehigh, Oct. 13—all American Hampton Roads.

*To Manchester.*—Manchester Brigade, Sept. 12; Manchester City, Sept. 19; Manchester Citizen, Sept. 26; Manchester Regiment, Oct. 3—all Manchester Line.

*To Newcastle and Leith.*—Cairnglen, Sept. 11; Cairnmona, Sept. 25; Cairnross, Oct. 2—all Cairn-Thomson Line.

*To Cardiff, Bristol and Swansea.*—New York City, Sept. 22; Boston City, Oct. 28—both Bristol City Line.

*To Aberdeen, Newcastle and Hull.*—Trentino, Ellerman's Wilson Line, Oct. 4.

*To Rotterdam.*—Maasdam, Sept. 11; Edam, Sept. 27—both Holland-America Line.

*To Hamburg, Bremen, Hull, Leith and Dundee.*—Capulin, Sept. 15; City of Flint, Sept. 29; Lehigh, Oct. 13—all American Hampton Roads.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Fort Amherst, Sept. 6; Fort Townsend, Sept. 13—both Furness-Red Cross Line; Kongshaug, Newfoundland-Canada SS. Ltd., Sept. 6; Portia (does not call at St. Pierre), Newfoundland Ry. and SS. Co., Sept. 8; Nova Scotia, Furness Line, Sept. 21.

*To Kingston (Jamaica) and Belize (British Honduras).*—Cavelier, Sept. 13; Cathcart, Sept. 24—both Canadian National.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Hawkins, Sept. 9; Lady Drake, Sept. 23—both Canadian National.

*To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer, Ocean Dominion SS. Corp., Sept. 15 and 29.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Chomedy, Sept. 6; Cornwallis, Sept. 20; Colborne, Oct. 4—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Bermuda, West Indies, and Demerara.*—A steamer, Pickford & Black Ltd., Sept. 15.

*To Santiago (Cuba) and Kingston (Jamaica).*—Kirsten B, Pickford & Black Ltd., Sept. 8.

*To Yokohama, Kobe, Shanghai, Hongkong, Manila, Cebu and Java.*—Siamese Prince, Sept. 20; Malayan Prince, Oct. 25—both Furness-Prince Line; Silverwalnut, Silver Line, Sept. 30.

### From Vancouver

*To Yokohama, Kobe and Osaka.*—Heian Maru, Sept. 11; Hikawa Maru, Oct. 2; Hiye Maru, Oct. 14—all Nippon Yusen Kaisha.

*To Yokohama, Kobe, Shanghai, Hongkong and Manila.*—Empress of Asia (calls Nagasaki), Sept. 18; Empress of Canada (calls Honolulu), Oct. 2; Empress of Russia (calls Nagasaki), Oct. 16; Empress of Japan (calls Honolulu), Oct. 30—all Canadian Pacific; Tyn-dareus, Sept. 18; Ixion, Oct. 16—Blue Funnel Line (call at Miike but not at Manila).

*To Manila, Iloilo, Cebu, Soerabaya, Samarang, Batavia, Singapore, Port Swettenham, Belawan Deli, Colombo, Bombay and Persian Gulf Ports.*—Tosari, Oct. 1; Hoogh Silverlight, Nov. 1—both Silver-Java Pacific Line.

*To Honolulu, Suva, Auckland and Sydney.*—Niagara, Sept. 29; Aorangi, Oct. 27—both Canadian-Australasian Line.

*To Papeete, Auckland, Wellington, Lyttelton, Dunedin, Melbourne and Sydney.*—Waiotapu (does not call at Wellington or Melbourne), Sept. 27; Hauraki, Oct. 9—both Canadian-Australasian Line.

*To Wellington, Port Huon, Beauty Point, Melbourne and Sydney.*—Anglo Canadian, Canadian-Australasian Line, Sept. 20.

*To London, Liverpool and Rotterdam.*—Lochmonar (calls at Glasgow), Sept. 18; Drechtdyk, Oct. 2; Lochkatrine (calls at Glasgow), Oct. 16; Dinteldyk, Oct. 30—all North Pacific Coast Line.

*To Antwerp, Hamburg and Bremen.*—Oakland, Sept. 19; Seattle, Oct. 17—both Hamburg-American Line; Weser, Oct. 6; Este, Oct. 27—both North German Lloyd Line.

*To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.*—Wisconsin, Sept. 13; San Diego, Sept. 30—both Empire Shipping Co. Ltd.

*To Marscilles, Genoa, Leghorn, Naples, Venice and Trieste.*—Leme, Empire Shipping Co., Sept. 20.

*To Port of Spain (Trinidad) and Bridgetown (Barbados).*—A steamer, Canadian Transport Co., September.

*To Kingston (Jamaica), Trinidad and Demerara.*—A steamer, Canadian Transport Co., September.

*To Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques, Beira, Colombo, Calcutta and Madras.*—Silverwillow, Oct. 5; Siantar, Nov. 5—both Silver-Java Pacific Line.

*To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.*—Brandanger, Sept. 30; Hardanger, Oct. 30—both Empire Shipping Co.

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**Note.**—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.



# COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

## CANADIAN GOVERNMENT TRADE COMMISSIONERS

### Argentina

J. A. STRONG, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

### Australia

*Sydney*: L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh Streets. (Territory covers Federal District of Canberra, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

*Melbourne*: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building, Melbourne. (Territory covers States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

### Belgium

YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

### Brazil

L. S. GLASS. Address for letters—Caixa Postal 2164, Rio de Janeiro. Office—Ed. Da. "A. Noite," Sala 802, Praca Maua. *Cable address, Canadian.*

### British Malaya

B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory covers the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

### British West Indies

*Trinidad*: M. B. PALMER. Address for letters—P.O. Box 125, Port of Spain. Office—Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, and British Guiana.) *Cable address, Canadian.*

*Jamaica*: F. W. FRASER, P.O. Box 225, Office—Canadian Bank of Commerce Chambers, Kingston. (Territory covers Jamaica, Haiti, the Bahamas, and British Honduras.) *Cable address, Canadian.*

### China

*Shanghai*: H. A. SCOTT. Address for letters—P.O. Box 264. Office—Ewo Building, 27 The Bund, Shanghai. (Territory covers Central China and North China.) *Cable address, Canadian.*

### Cuba

C. S. BISSETT. Address for letters—Apartado 1945, Havana. Office—Royal Bank of Canada Building, Calle Aguiar 75, Havana. (Territory includes Dominican Republic and Puerto Rico.) *Cable address, Canadian.*

### Egypt

HENRI TURCOT. Address for letters—P.O. Box 1770, Cairo. Office—22 Shari Kasr el Nil, Cairo. (Territory includes the Sudan, Palestine, Cyprus, Iraq, Syria, Iran, Greece, Turkey, Bulgaria, and Roumania.) *Cable address, Canadian.*

### France

HERCULE BARRÉ, Commercial Attaché, 3 rue Scribe, Paris (9). (Territory includes French Colonies in North Africa.) *Cable address, Cancomac.*

### Germany

J. C. MACGILLIVRAY, Mönckebergstrasse 31, Hamburg. (Territory includes Germany—except the Rhine Valley—Czechoslovakia, Austria, and Poland.) *Cable address, Canadian.*

### Hongkong

V. E. DUCLOS. Address for letters—P.O. Box 80, Hongkong. Office—Gloucester Building, Hongkong. (Territory includes South China, the Philippines, and Indo-China.) *Cable address, Canadian.*

### British India

PAUL SYKES. Address for letters—P.O. Box 2003, Calcutta. Office—23 Esplanade Mansions, Government Place East, Calcutta. (Territory includes Burma and Ceylon.) *Cable address, Canadian.*

### Irish Free State and Northern Ireland

JAMES CORMACK, 66 Upper O'Connell Street, Dublin, Irish Free State (*cable address, Canadian*); and 40 Victoria Square, Belfast, Northern Ireland.

## CANADIAN GOVERNMENT TRADE COMMISSIONERS—*Con.*

### Italy

A. B. MUDDIMAN, Via Manzoni Nr. 5, Milan (102). (Territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia.) *Cable address, Canadian.*

### Japan

*Tokyo*: ACTING COMMERCIAL SECRETARY. Address for letters—P.O. Box 401, Tokyo Central. Office—Canadian Legation, 16 Omotecho, 3-chome, Akasakaku, Tokyo. *Cable address, Canadian.*

*Kobe*: P. V. McLANE. Address for letters—P.O. Box 230, Kobe. Office—309 Crescent Building, 72 Kyomachi, Kobe. *Cable address, Canadian.*

### Mexico

ACTING TRADE COMMISSIONER. Address for letters—Apartado Num. 126-Bis, Mexico City. Office—Edificio Banco de Londres y Mexico, Num. 30, Mexico City. (Territory includes Guatemala, Honduras, and Salvador.) *Cable address, Canadian.*

### Netherlands

J. A. LANGLEY, Coolingsel 111b, Rotterdam. (Territory includes the Rhine Valley and Switzerland.) *Cable address, Canadian.*

### New Zealand

W. F. BULL. Address for letters—P.O. Box 33, Auckland. Office, Yorkshire House, Shortland Street, Auckland. (Territory includes Fiji and Western Samoa.) *Cable address, Canadian.*

### Norway

RICHARD GREW, Stortingsgaten 28, Oslo. (Territory includes Sweden, Denmark, and Finland.) *Cable address, Canadian.*

### Panama

W. J. RIDDIFORD. Address for letters—P.O. Box 222, Panama City. Office—Royal Bank of Canada Building, Santa Ana Plaza, Panama City. (Territory includes the Canal Zone, Venezuela, Colombia, Nicaragua, and Costa Rica.) *Cable address, Canadian.*

### Peru

M. J. VECHSLER. Address for letters—Casilla 1212, Lima. Office—Portal de Belén No. 166, Plaza San Martin, Lima. (Territory includes Bolivia, Ecuador, and Chile.) *Cable address, Canadian*

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*Cape Town*: G. R. HEASMAN. Address for letters—P.O. Box 683, Cape Town. Office—Cleghorn & Harris Building, Adderley Street, Cape Town. (Territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar.) *Cable address, Cantracom.*

*Johannesburg*: J. L. MUTTER. Address for letters—P.O. Box 715, Johannesburg. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

### United Kingdom

*London*: FREDERIC HUDD, Chief Trade Commissioner in the United Kingdom, Canada House, Trafalgar Square, S.W.1. *Cable address, Sleighing, London.*

*London*: J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W.1. (Territory covers Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

*London*: W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C.2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—covers United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

*London*: W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W.1. *Cable address, Agrilcon.*

*Liverpool*: H. R. POUSSETTE, Martins Bank Building, Water Street. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

*Bristol*: E. L. MCCOLL, Northcliffe House, Colston Avenue. (Territory covers West of England, South Wales, and South Midlands.) *Cable address, Canadian.*

*Glasgow*: G. B. JOHNSON, 200 St. Vincent Street. (Territory covers Scotland.) *Cable address, Cantracom.*

### United States

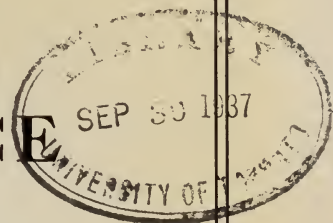
*New York City*: D. S. COLE, British Empire Building, Rockefeller Center. (Territory includes Bermuda.) *Cable address, Cantracom.*

**Note.**—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.



Dr. Doe  
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# COMMERCIAL INTELLIGENCE JOURNAL



Vol. LVII

Ottawa, September 11, 1937

No. 1754



Canadian Fish at the Peck Slip Freshwater Fish Market,  
New York City

ISSUED BY AUTHORITY OF  
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE  
JAMES G. PARMELEE, DEPUTY MINISTER

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Ottawa, September 11, 1937

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## DISTRIBUTION OF UNITED KINGDOM TRADE, JANUARY TO JUNE

H. L. BROWN, ASSISTANT TRADE COMMISSIONER

London, August 24, 1937.—A summary of overseas trade of the United Kingdom was included in the report on "Conditions in the United Kingdom," published in *Commercial Intelligence Journal* No. 1750 (August 14, 1937), page 273. General considerations were dealt with and statistics concerning the commodities of major interest to Canadian exporters were included. An analysis of these data has now been made, and totals have been reduced to terms of percentages, in order to show more simply the trends of the external trade of the United Kingdom.

The percentage distributions shown below are based on aggregate values actually recorded and take no account of changes in values or of variations in volume of trade consequent upon alterations in price level. For example, while total imports in the period January to June, 1937, increased by 20 per cent as compared with the corresponding period of 1936, the increase in volume was only 5 per cent, as average values had increased by about 14 per cent in the aggregate. Similarly, while there was a rise of 21 per cent in declared value of exports of United Kingdom products, average values had risen by 6 per cent, and the volume increase amounted actually to 14 per cent.

Re-exports increased in average value by 23 per cent, but in volume by only 1½ per cent, although the increase of recorded value was 25 per cent. Such differences, however, relate only to aggregate trade as a whole, and may not be applied to trade with individual countries.

### DISTRIBUTION BETWEEN BRITISH AND FOREIGN COUNTRIES

The following table summarizes the general position of distribution of trade of the United Kingdom as between British and foreign countries in the first six months of 1937, with comparative data for 1936 and 1929; values are in thousands of pounds sterling:—

	January to June			January to June		
	1929	1936	1937	1929	1936	1937
Imports from	Total Values in £1,000			%	%	%
British countries . . . . .	190,139	167,273	199,680	31.4	41.5	41.3
Foreign countries . . . . .	414,639	235,528	283,742	68.6	58.5	58.7
All countries . . . . .	604,778	402,801	483,422	100.0	100.0	100.0
Exports to						
British countries . . . . .	158,902	101,118	119,343	44.3	48.6	47.5
Foreign countries . . . . .	199,840	106,772	131,871	55.7	51.4	52.5
All countries . . . . .	358,742	207,890	251,214	100.0	100.0	100.0
Re-exports to						
British countries . . . . .	11,087	5,109	5,739	18.3	15.8	14.2
Foreign countries . . . . .	49,475	27,298	34,814	81.7	84.2	85.8
All countries . . . . .	60,562	32,407	40,553	100.0	100.0	100.0

## TRADE WITH BRITISH COUNTRIES

It will be noted that there has been a marked increase of importations in 1937 from British countries, although the proportion of the total importations has decreased slightly, mainly due to a very large rise of imports from Argentina. Increases were recorded in respect of India and the Colonial Empire generally. Canada was the only dominion for which an increase was shown. Compared with the first half of 1929, a substantial increase is recorded in the proportion of importations from British countries, particularly Canada, Australia, and India; declines are shown for four British countries, notably the Irish Free State and the Union of South Africa.

Exports to British countries increased in 1937, but the proportion of the total was about 1 per cent lower; the decline was shared by the dominions, except New Zealand and India. Notwithstanding a decrease from 11·3 to 7·5 per cent in India's share, there was a substantial increase of exports to the Empire in 1937 as compared with 1929; this was most appreciable in the cases of the Union of South Africa and New Zealand.

The re-export trade consists largely of a redistribution of Empire products to foreign countries. The proportion taken by British countries is the lowest in recent years; a large part of the decrease in 1937 as compared with 1929 was in respect of the Irish Free State, the principal British market for re-exports.

## TRADE WITH CANADA

Importations from Canada increased in the first half of 1937 to £39,566,558 as compared with £31,883,555 in the corresponding period of 1936; Canada's share of total importations amounted to 8·2 per cent as compared with 7·9 per cent. During the same period exportations to Canada increased to £12,900,509 from £10,740,370; expressed as a proportion of total export trade, however, there was a slight decrease in that the 1937 figure was 5·13 per cent of the total while that for 1936 was 5·17. Re-exports to Canada increased to £763,120 from £451,668 and represented 1·9 per cent of total re-exportations as compared with 1·4 per cent in 1936.

## TIMBER IMPORTS OF THE UNITED KINGDOM, JANUARY TO JULY

H. L. BROWN, ASSISTANT TRADE COMMISSIONER

London, August 28, 1937.—In the past few years importations of timber into the United Kingdom have continued to increase to such an extent as to give rise to suggestions that the saturation point cannot be far away. However, so long as new trades develop and old trades prosper this condition, which is still a relative one, will not be reached until the rising volume of business approaches a peak still not in sight. When one phase of building activity approaches its maximum, another is on the increase and, so far as general trends are concerned, the tendency is upward. Similarly, decreases in the use of any one form of wood are offset by developments in the use of wood in other forms. The full capacity of the market has therefore not yet been measured.

## TOTAL IMPORTS OF WOOD AND TIMBER

The foregoing statements are borne out by the values of total importations of wood and timber in the first seven months of 1937 as contrasted with the corresponding period in 1935 and 1936. The increase over the 1936 figures amounted to almost 40 per cent, a proportion which must, however, be adjusted to the marked increase in prices and the existence of some abnormal increases



in imports of certain types, which may possibly be counteracted later by decreases in the remaining months of the year.

The following table, showing values in thousands of pounds sterling, indicates the total importations and the totals for each supplying country during the seven months of 1937, with comparative data for 1935 and 1936:—

	Jan.-July, 1935	Jan.-July, 1936	Jan.-July, 1937
	Values in £1,000		
Total . . . . .	17,227	19,899	27,787
Canada . . . . .	2,437	2,891	4,710
Finland . . . . .	2,884	3,658	3,742
Russia . . . . .	2,510	2,230	3,482
United States . . . . .	2,351	2,682	3,251
Sweden . . . . .	2,125	2,627	3,247
Poland . . . . .	1,163	1,804	2,780
Latvia . . . . .	676	465	1,339
Yugoslavia . . . . .	192	355	708
British India . . . . .	402	570	703
France . . . . .	442	515	696
Norway . . . . .	306	348	408
Estonia . . . . .	253	205	229
Japan . . . . .	176	142	219

Only those countries supplying to a value of over \$1,000,000 in the period under review have been listed. Other important sources of supply are British West Africa and Australia among Empire countries, and Portugal and Germany among foreign countries. It will be noted that, while the imports of wood and timber from Canada in the first seven months of 1935 were exceeded by those from Finland and Russia by moderate amounts, and substantially in the same period of 1936 by those from Finland, yet in the first seven months of 1937 the value of shipments from Canada far exceeded that of the nearest competitor, Finland, and amounted to almost 17 per cent of the total import value during that period.

#### SAWN SOFTWOODS

The largest group is, of course, sawn softwoods, not planed or dressed, which comprised approximately 50 per cent of the total importations in the first seven months of 1937. Over 62 per cent of the total value from Canada is found in this group and, if planed and dressed softwoods are included, the two groups together account for well over 80 per cent of the total value from Canada. The quantities in thousands of standards and values in thousands of pounds sterling from the leading countries of supply in the first seven months of 1936 and 1937 are as follows:—

#### *Imports of Sawn Softwoods, not Planed or Dressed*

	Jan.-July, 1936		Jan.-July, 1937	
	Stds.	£	Stds.	£
	Figures in Thousands			
Total . . . . .	867	9,393	922	13,216
Canada . . . . .	143	1,801	204	2,933
Russia . . . . .	136	1,486	160	2,542
Finland . . . . .	246	2,391	179	2,381
Poland . . . . .	118	1,112	125	1,651
Sweden . . . . .	133	1,285	111	1,512
United States . . . . .	32	732	27	708
Latvia . . . . .	23	223	44	568

(One standard equals 1,980 ft. b.m.)

In addition, the importations of sawn softwoods, planed or dressed, aggregated 160,000 standards, valued at £2,023,000, in January to July, 1936, and 164,000 standards, valued at £2,675,000, in the corresponding period of 1937; the principal countries of supply were Sweden and Canada, with a fair proportion from Finland, Norway, and other foreign countries.

## SAWN HARDWOODS

The second group of importance comprises sawn hardwoods, not planed or dressed, imports of which were valued at £4,708,000 in the first seven months of 1937 as compared with £3,639,000 in the corresponding period of 1936. The most important wood was oak, amounting to 8,631,000 cubic feet valued at £1,687,000, which was supplied by the United States largely and also by Poland, Japan, Yugoslavia, and other foreign countries. Teak amounted to 1,836,000 cubic feet, valued at £773,000, and was principally from British India. Mahogany, walnut, and other hardwoods made up the remainder, of which 3,797,000 cubic feet, valued at £415,000, came from Canada and was probably made up of maple and birch.

## OTHER WOOD IMPORTS

The principal groups making up the remainder of the total value of importations of wood and timber in the period January to July, 1937, were: plywood, amounting to 9,073,000 cubic feet, valued at £2,711,000, from Finland, Russia, Latvia, Japan, Poland, Germany, and the United States, with small amounts from Canada and Estonia; pitprops, amounting to 427,000 cubic fathoms, valued at £2,818,000 (as compared with £1,656,000 in the same period of 1936), supplied by Finland, Russia, Latvia, and France, as well as Sweden, Portugal, and other countries; softwood boxboards, 50,389,000 cubic feet, valued at £938,000, principally from Sweden and Finland; railway ties, 58,647 standards, valued at £840,000, about one-half of which was supplied by Poland and the remainder largely by Latvia, Canada, and Russia; hardwood flooring, £225,000; veneers, 169,000 cwts. (£557,000); staves, 32,492 tons (£396,000); hewn hardwood, 2,596,000 cubic feet (£474,000); and hewn softwoods, including pulpwood, 30,300 fathoms (£167,000).

## MARKET FOR CHRISTMAS AND GREETING CARDS IN ENGLAND

C. B. BIRKETT, ASSISTANT TRADE COMMISSIONER

Liverpool, August 23, 1937.—Recent investigations into the market for Christmas and greeting cards in the territory covered by this office reveal that the cards on sale are almost all of English manufacture. There is only a small demand for imported cards; the small quantity that are being brought in come from the United States and Canada. At present Canada's share in the trade is negligible.

## METHODS OF DISTRIBUTION

The trade in Christmas and greeting cards is in the hands of a dozen or more stationers and distributors, most of whom are located in the London and Glasgow areas. Their travellers cover the whole country thoroughly. Orders for Christmas cards are usually booked in January and February for delivery in August and September. Sample cases, for the use of travellers, are made up in advance. Birthday and other greeting cards, known to the trade as occasional cards, are, of course, in demand the year round.

The general practice at present is for wholesalers to sell the cards in boxes containing a dozen or more, and it is estimated that these sales account for about 60 per cent of the whole, the remainder representing sales of loose cards and autographed stationery. Boxes retail at from 6d. to 1s. 6d. each. The more expensive cards are usually sold loose, and are priced up to 2s. per card. Many large multiple stores and other organizations specializing in low-priced articles buy their cards in boxes and then retail the individual cards at from 1d. to 3d. each. All business is based on samples submitted.



The trade in private cards is a specialty and is unconnected with the general trade in Christmas and greeting cards.

#### INCREASING DEMAND

It has been estimated that during the last three or four years the trade in Christmas cards, especially those put up in boxes, has increased about 33½ per cent. During this period English publishers have greatly improved the quality and design of their products. These improvements were stimulated by the introduction a few years ago of American cards demonstrating new ideas in respect to material and design. English manufacturers are now meeting any competition offered, with the result that the trade in American cards has been reduced to a minimum. There remains, however, a demand for something new and different in Christmas cards and American suppliers are still enjoying a small share of the business.

It is only on a similar basis that Canadian suppliers can hope to compete, for there is no demand in this market for the ordinary type of card. Interested Canadian firms are advised to approach the market through a London distributor.

### TRADE OF NORTHERN IRELAND IN 1936

JAMES CORMACK, CANADIAN TRADE COMMISSIONER

Dublin, August 19, 1937.—Since Northern Ireland forms with Great Britain a single customs unit, "entries" are not required for goods passing between them, and therefore exact values and details of values and quantities of commodities imported cannot be definitely obtained. Customs and Harbour Authority returns, however, show the trends of trade.

Imports into Northern Ireland in 1936 were valued at £51,618,000, exports at £47,537,000, and the total trade at £99,155,000, or if the parcel post trade is added, the equivalent of \$500,000,000 Canadian per annum.

#### PRINCIPAL IMPORTS

Under the food, drink, and tobacco heading there is an increasing import trade in the following products, as shown by the 1936 figures: maize (£2,165,000), tobacco (£1,590,000), wheat (£966,000), butter (£816,000), animal feed (£698,000), tea (£692,000), wheat products (£533,000), and eggs (£329,000), but a decrease in beer (£546,000) and fruit (£581,000). Under raw materials, increased imports are recorded for coal (£2,611,000), flax (£2,294,000), and timber (£700,000); flax tow showed a decrease. Manufactured articles practically all show increased imports. Values for 1936 were as follows: woollens (£1,703,000), cottons (£5,011,000), paper (£1,724,000), automobiles (£1,573,000), and machinery (£1,537,000).

#### SUPPLYING COUNTRIES

Countries other than Great Britain supplied to a value of £9,538,000 out of a total of £51,618,000. Empire countries are credited as follows: Canada, £939,000; Australia, £646,000; India, £45,000; and others, £11,000. In the case of Canada it is probable that the figure should be increased by almost 50 per cent, as nearly one-third of the total imports from the Dominion are not mentioned, being transhipped from stocks in England and credited to Great Britain.

Other large exporters to Northern Ireland in 1936 are: Argentina, £2,086,000; Belgium, £1,739,000; Soviet Russia, £788,000; Latvia, £612,000; United

States, £509,000; Finland, £251,000; Netherlands, £243,000; Germany, £213,000; and France, £181,000.

#### PRINCIPAL EXPORTS

Linen was the principal commodity exported from Northern Ireland in 1936, being valued at £14,095,000, followed by supplies for shipbuilding and repair work at £6,410,000. The former showed an increase of roughly £2,000,000 as compared with 1935, and the latter decreased by the same amount. Exports of cotton goods, valued at £5,061,000, also increased.

### JAMAICAN MARKET FOR POTATOES

F. L. CASSERLY, OFFICE OF THE TRADE COMMISSIONER

Kingston, Jamaica, August 26, 1937.—The consumption of potatoes in Jamaica is confined largely to the middle and upper classes of the population, who are numerically quite small. The reason for this restricted consumption is that Jamaica produces large quantities of yams, plantains, breadfruit, and other distinctively tropical vegetables which have become staple foods for the masses and are much cheaper than potatoes. The taste for the latter, however, appears to be slowly increasing.

A factor in the relatively high cost of imported potatoes is the high customs duty. Previous to December, 1927, the duties were, per 100 pounds, 7½d. under the British preferential and 10d. under the general tariff; they were then increased to 8s. 4d. and 16s. 8d. respectively, with the result that retail costs of both local and imported potatoes have considerably advanced. The object of increasing the duty was to stimulate local production of potatoes, and this has been achieved to some extent. Domestic potatoes retail at the same price (now 3d. per pound) as imported potatoes, which, besides customs duty, are liable to a package tax of 1s. per barrel or other container, irrespective of country of origin. The trade, therefore, is a luxury one and the peasantry, who comprise the bulk of the island's population, do not consume potatoes to any notable extent. Those who grow potatoes on their small plantations prefer to sell their produce.

#### IMPORT TRADE

In the calendar year 1936 imports of potatoes into Jamaica totalled 1,345,154 pounds, valued at £5,670, of which Canada supplied 1,240,388 pounds (£5,239); the United Kingdom, 77,551 pounds (£289); the Irish Free State, 19,365 pounds (£75); the United States, 5,050 pounds (£51); and Cyprus, 2,800 pounds (£16). Imports during the six months ending June 30, 1937, totalled 457,701 pounds valued at £2,248, of which 392,011 pounds (£1,947) came from Canada; 38,440 pounds (£179) from the Irish Free State; and 27,250 pounds (£122) from the United Kingdom. Seasonal imports from Canada are now about due to arrive and, as usual, shipments will continue for six or seven months, after which the local crop will begin to come in. The demand for imported potatoes appears to have been slightly reduced during the past year or so, owing to increased local production.

#### TYPES IN DEMAND

Jamaica demands white table potatoes of Canada No. 1 grade, of medium size, i.e., from 3 inches to 3½ inches long and about 2 inches in diameter; large sizes are not favoured. Potatoes are shipped in wooden barrels containing not less than 160 pounds net on arrival; the barrel usually weighs about 20 pounds. The net weight of each container should be stated on the invoice, which



must, as usual, be made out on the prescribed form, with combined certificate of origin and value. It is essential that imported potatoes shall arrive in good condition, as the trade is somewhat critical of quality, and the slightest evidence of damage gives rise to complaint, usually followed by a demand for adjustment between buyer and seller. Bags are unsuitable as containers, and their use is quite exceptional. Barrels must bear the name or initials of the local importer in order to ensure identification, and it is also desirable that they should carry marks identifying the shipper.

#### BUSINESS METHODS

The import trade is done mostly through local agents working on commission, who canvass orders from wholesalers and retailers of foodstuffs. Lists of the principal Jamaican importers of potatoes and of local commission agents are on file at the Department of Trade and Commerce, Ottawa, and are available to interested Canadian firms on application (quoting file No. 26494). A price of around \$3.20 per barrel c.i.f. Kingston, Jamaica, has lately been quoted for Canadian potatoes.

#### LOCAL PRODUCTION

Table potatoes have been grown in Jamaica to a limited extent for many years. The acreage and output have fluctuated from year to year, but during the past eighteen months cultivation has been notably increased. No statistics of acreage are available, but it is estimated that there are now about 500 acres under potato cultivation with an average yield in the neighbourhood of 3,200 pounds (equal to 20 barrels) per acre.

Local potatoes are put up in crates of 50 pounds and also in bags of 100 pounds. Seed, which yields a crop in from three to four months, is planted twice a year—that is in February-March and in September-October, though mostly in the former period. The crop is at its best between May and August.

Production was handicapped by drought in the earlier months of the present year, but since then there has been abundant rain. Farmers usually estimate that one barrel of seed will yield about seven barrels of potatoes, and the local output is approximately 1,600,000 pounds, or 10,000 barrels, per annum. Jamaican potatoes are white in colour and average three or four to a pound.

#### SEED POTATOES

The demand for seed potatoes in Jamaica is increasing, following the development of local production. These cannot be satisfactorily produced in the island, as the climate is too hot. Seed potatoes are not separately classified in the Jamaican customs returns, but are included in the category "plant seeds and bulbs for propagation or cultivation." In the calendar year 1936 imports under this heading were valued at £5,415, of which the United Kingdom is credited with £2,740; Canada, £2,296; the United States, £307; and the Irish Free State, Trinidad, China, France, and Holland with the small remainder. Most of these imports, however, consisted of seed potatoes. In the six months ending June 30, 1937, total imports of plants, seeds, and bulbs as above were valued at £1,995, of which Canada supplied to the extent of £1,554; the United Kingdom, £298; the United States, £122; and Holland, £25. In 1935 total imports under this category were only £1,965. The increase shown is mainly due to larger imports of seed potatoes, which come in free of duty and package tax, subject to certain conditions mentioned below.

The largest importer of seed potatoes is the Jamaica Agricultural Society, Kingston. This is a semi-official body supported by an annual grant from the Government and also by subscriptions of its members, who include large and small planters. The principal function of the society is the maintenance of a field staff for the instruction of the peasantry.

Seed potatoes are mostly imported during the period October to March. From Canada and the United States they come in wooden barrels of 160 pounds net; from the United Kingdom in wooden crates of 112 pounds net. In the six months ending March 31 last the Agricultural Society purchased 1,337 barrels at a c.i.f. cost of £1,077 10s. 2d. and 230 crates for £158 5s. Besides the society, there are a few private individuals and firms importing seed potatoes for sale to local farmers. The names of these importers are on record with the Department of Trade and Commerce, Ottawa.

#### GRADES AND SIZES

Burbank and Jackson were at one time the favourite grades, but supplies of these from abroad seem less plentiful than formerly. Irish Cobbler and Green Mountain are now in good demand; Bliss Triumph, Cathadin, Royal Kidney, and Up-to-date are also used, though in smaller quantities. Seed potatoes should be about the size of a large hen's egg, clean, free from disease, and uniform in size. Green Mountains, however, are often much larger and usually are cut in pieces for planting. Canadian and Scottish seeds are considered to be sturdier and less liable to disease than American and are therefore preferred.

#### SHIPMENT AND PACKING

The local importer must first of all obtain from the Jamaican Department of Agriculture a written permit to import seed potatoes, and each shipment must be accompanied by a certificate stating that they are free from disease, furnished by the Department of Agriculture in the country of origin. On arrival, the seed potatoes must pass inspection by the Jamaica Government microbiologist. The written permit of the Jamaican Department of Agriculture is in the form of a label bearing particulars of the permit and the seal of the department. The labels are forwarded by the prospective importer to the supplier, who affixes one to each barrel or crate. This stipulation, however, is not rigidly applied to importations made by the Jamaica Agricultural Society; in their case the shipper may return the labels to the society by post. Subject to compliance with these provisions, seed potatoes may be imported into Jamaica free of duty, irrespective of country of origin.

### MARKET FOR CONDENSED MILK IN BRITISH MALAYA

K. F. NOBLE, ACTING TRADE COMMISSIONER

(Values are in Straits currency: S\$1 equals 58 cents Canadian at present exchange)

Singapore, July 26, 1937.—The inhabitants of British Malaya are among the largest consumers of sweetened and unsweetened condensed milk, with a decided preference for the sweetened variety. According to statistics the per capita consumption, for the population of 4,500,000, is one tin of 14 ounces per month.

#### IMPORTS

Total imports into British Malaya of sweetened condensed milk in 1936 amounted to 1,170,555 cases (of 14-ounce tins) valued at \$7,150,761 as compared with 1,121,848 cases valued at \$7,052,608 in 1935. During the first five months of 1937 imports totalled 601,061 cases valued at \$3,655,205.

In the tables hereunder, "British possessions, protectorates, and dominions" include the Irish Free State, Australia, New Zealand, and Canada; "Continent of Europe" comprises Switzerland, Holland, Belgium, and Denmark. Quantities are given in cases containing forty-eight tins of 14 ounces.



The following table shows imports of sweetened condensed milk into British Malaya from the principal supplying countries in 1935, 1936, and the first five months of 1937:—

*British Malayan Imports of Sweetened Condensed Milk*

Countries of Origin	1935		1936		Jan.-May, 1937	
	Cases	Straits \$	Cases	Straits \$	Cases	Straits \$
Totals.. . . . .	1,121,848	7,052,608	1,170,555	7,150,761	601,061	3,655,205
United Kingdom .. . . .	352,758	2,243,859	449,139	2,839,602	116,023	759,867
British possessions, protectorates and dominions.. . . .	283,094	1,986,667	255,529	1,612,512	216,997	1,409,776
Continent of Europe.. . . .	435,520	2,604,049	437,329	2,578,200	262,190	1,460,217
Japan .. . . .	50,449	217,814	28,491	120,103	5,850	25,337

Although the average declared value per case of sweetened milk amounted to \$6.08 during 1936 as against \$6.28 for 1935, with the 1936 level being maintained during the earlier months of this year when the average declared value per case was \$6.09, this general index of costs must not be taken too literally. since it is the practice to declare values on the basis of the insured value (i.e. c.i.f. plus 10 per cent), with no provision for discounts or rebates.

The importation of unsweetened condensed milk in 1936 totalled 8,322 cases valued at \$53,731 as against 11,357 cases valued at \$71,202 in 1935. Imports of this type from the principal supplying countries in 1935, 1936, and the January-May period of 1937 are shown in the following table:—

*British Malayan Imports of Unsweetened Condensed Milk*

Countries of Origin	1935		1936		Jan.-May, 1937	
	Cases	Straits \$	Cases	Straits \$	Cases	Straits \$
Totals.. . . . .	11,357	71,202	8,322	53,731	39,292	248,612
United Kingdom .. . . .	7,182	47,918	6,820	45,283	25,182	162,080
British possessions, protectorates and Dominions .. . . .	4	34	160	1,067	7,427	45,610
Continent of Europe.. . . .	4,171	23,250	1,342	7,381	6,543	40,263
Japan .. . . .	.....	.....	.....	.....	140	659

The declared value per case of the unsweetened variety was \$6.27 in 1935, \$6.45 during 1936, and \$6.25 during May of 1937, which is the last month for which details are available.

The higher declared value for unsweetened condensed milk is due to the shortage in supplies of this type from Continental Europe. Both types are offered at similar wholesale and retail prices.

### PRICES

During the present year the established avenues of distribution have been disturbed by the arrival of sweetened condensed milk from Continental Europe. In the opinion of native dealers, imported supplies should reach them within two and one-half months from the date of landing if the possibility of loss through deterioration is to be avoided, and when stocks have been held locally for upwards of two months the practice is to dispose of them by cutting prices.

Many of the dealers who purchased low-priced brands from the importers at about \$4.50 per case c.i.f.c. & i. have found it impossible to dispose of their stocks at regular prices and are prepared to accept cash offers of as low as \$3 per case.

A number of importers concur in the opinion that a c.i.f. price ranging from \$5.50 to slightly under \$6 per case is, normally, a reasonable one at which a substantial trade could be built up over a period of twelve months.

### PACKING

The standard pack is forty-eight tins of 14 ounces each, the dimensions of the tins being 7 cm. high by 8 cm. in diameter, or 7.7 cm. in diameter by 7 cm.

high. A secondary pack for the cheaper grades, used in the coffee shop trade, is the 5-pound tin, which is imported in cases of twelve.

### TERMS

At present the trade is dominated by consignment shipments to importers on open account. From the proceeds are deducted Harbour Board charges, coolie hire and truckage, storage fees, and agent's commission of 5 per cent, the net balance being remitted at monthly intervals. Although most importers are well able to finance their own purchases and to offer cash against documents in country of origin for discounts of 1, 1½, and 2 per cent, the established practice is payment at thirty days, documents on acceptance.

### DUTIES

There are no duties on importations of condensed milk into the Straits Settlements, but preferential duties apply to products of Empire origin in both the Federated and Unfederated Malay States, which comprise the commercial hinterland.

Throughout the Federated Malay States the full rate of duty is \$5 per 100 pounds net weight of milk products of all types, whereas the preferential rate is \$1 per 100 pounds net weight. Condensed milk of Empire origin, therefore, enjoys a preference of 4 cents per pound.

In the Unfederated Malay States, rates under the general and British preferential duties are similar to those in effect in the Federated Malay States except in the case of Johore, where the full rate is \$5 and the preferential rate free.

Supplementary information on the British Malayan market for condensed milk, with respect to pure food laws, marking regulations, and trade-mark registration, may be obtained by interested Canadian firms on application to the Department of Trade and Commerce, Ottawa (quoting file No. 27941).

## TRADE COMMISSIONERS ON TOUR

Mr. J. H. English, Canadian Trade Commissioner in London, England, and Mr. F. W. Fraser, Canadian Trade Commissioner in Kingston, Jamaica (whose territory covers Jamaica, Haiti, the Bahamas, and British Honduras), are at present on tour in the interest of Canadian trade with their respective territories. Their itineraries are as follows:—

### Mr. English

Vancouver and Victoria . . . . .	Sept. 13 to 20	Winnipeg . . . . .	Sept. 27 and 28
Vernon . . . . .	Sept. 22	Fort William . . . . .	Sept. 29
Kelowna . . . . .	Sept. 23	Ottawa . . . . .	Oct. 1 to 8
Calgary . . . . .	Sept. 24		

### Mr. Fraser

Port Elgin, Amherst and Sackville . . . . .	Sept. 11 to 13	Quebec . . . . .	Sept. 16 and 17
Sussex and Fredericton . . . . .	Sept. 14	Grand'Mere and Terrebonne	Sept. 18
Grand Falls . . . . .	Sept. 15	Montreal and district . . . . .	Sept. 20 to Oct. 9
		Ottawa and district . . . . .	Oct. 11 to 14

Firms who wish to be brought in touch with the Trade Commissioners should communicate, for Vancouver and Winnipeg, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres with the respective Board of Trade or Chamber of Commerce.



## SUMMARY OF THE TRADE OF CANADA: MONTH, SEVEN MONTHS, AND TWELVE MONTHS ENDING JULY, 1937

(Compiled by External Trade Branch, Dominion Bureau of Statistics)

Main Groups	Month of July, 1937			Seven months ending July, 1937			Twelve months ending July, 1937		
	Total Imports	From United Kingdom	From United States	Total Imports	From United Kingdom	From United States	Total Imports	From United Kingdom	From United States
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<i>Imports for consumption</i>									
Agricultural and Vegetable Products.....	12,418,081	1,302,272	3,327,703	77,508,619	10,783,002	25,822,918	138,101,375	18,931,534	40,140,148
Animals and Animal Products.....	2,451,386	493,499	856,288	19,793,909	3,806,700	8,236,632	30,624,102	6,003,675	12,728,037
Fibres, Textiles and Textile Products.....	9,834,163	5,064,586	3,059,615	71,908,414	31,892,583	24,565,040	114,896,877	50,199,927	41,302,043
Wood, Wood Products and Paper.....	3,013,217	360,116	2,379,651	18,934,053	2,195,904	15,485,077	31,432,915	3,995,801	25,138,984
Iron and its Products.....	18,886,239	3,294,631	14,804,011	121,621,955	15,952,510	102,226,670	177,942,667	25,871,600	145,257,896
Non-Ferrous Metals and their Products.....	13,133,133	1,142,925	2,771,728	26,307,501	4,334,814	18,118,612	41,053,204	6,935,901	27,823,707
Non-Metallic Minerals and their Products.....	13,190,500	1,465,161	10,010,536	70,215,443	6,939,447	53,942,802	125,649,343	12,687,450	94,992,888
Chemicals and Allied Products.....	3,248,381	587,326	1,991,265	1,741,742	4,255,068	12,804,349	35,226,424	7,585,197	20,683,402
Miscellaneous Commodities.....	4,220,310	799,725	2,749,113	25,569,933	3,800,123	18,516,643	45,449,919	7,361,685	32,190,974
<b>Total Imports, 1937.....</b>	<b>71,985,940</b>	<b>14,507,241</b>	<b>41,943,970</b>	<b>452,811,629</b>	<b>84,040,406</b>	<b>279,718,443</b>	<b>740,376,826</b>	<b>139,572,820</b>	<b>441,228,179</b>
1936.....	53,820,904	10,606,404	34,762,547	347,625,647	67,438,850	208,346,907	589,153,403	120,537,950	338,787,196
1935.....	48,414,397	10,469,659	26,314,523	308,786,790	63,571,127	181,976,615	530,721,928	113,482,598	305,153,352
<i>Exports (Canadian Produce)</i>									
Agricultural and Vegetable Products.....	20,510,023	12,660,030	2,467,579	130,537,110	73,321,674	23,036,350	326,801,515	185,307,905	70,289,712
Animals and Animal Products.....	13,731,993	7,756,438	4,907,689	84,297,761	44,492,052	30,771,134	141,193,244	78,061,826	47,819,012
Fibres, Textiles and Textile Products.....	1,570,308	302,433	448,758	8,432,505	1,900,481	1,871,766	13,964,753	2,843,387	3,137,632
Wood, Wood Products and Paper.....	24,227,669	4,328,875	16,085,823	143,172,759	22,019,633	100,452,926	243,511,536	39,667,813	167,955,382
Iron and its Products.....	7,375,952	1,339,304	870,478	38,251,569	8,497,794	4,169,940	59,493,985	13,919,045	6,737,703
Non-Ferrous Metals and their Products.....	25,365,975	8,791,248	12,143,643	171,474,680	55,102,001	87,063,822	275,984,568	85,243,781	146,853,576
Non-Metallic Minerals and their Products.....	2,950,886	374,814	1,854,864	16,921,785	1,564,628	11,414,877	29,258,763	3,002,784	19,244,070
Chemicals and Allied Products.....	1,604,310	450,680	1,672,835	13,949,039	3,046,089	6,956,631	21,511,807	4,885,120	9,841,427
Miscellaneous Commodities.....	1,820,659	489,777	902,708	10,000,566	2,387,280	5,386,843	16,787,689	3,385,000	9,576,863
<b>Totals, 1937.....</b>	<b>99,157,775</b>	<b>36,494,749</b>	<b>40,354,377</b>	<b>617,009,774</b>	<b>212,451,632</b>	<b>271,124,289</b>	<b>1,128,507,800</b>	<b>481,316,661</b>	<b>481,435,377</b>
1936.....	83,898,858	37,432,509	29,517,464	503,707,349	195,905,956	196,353,479	918,751,327	364,937,772	369,009,546
1935.....	63,285,787	21,500,200	28,172,018	410,240,136	137,925,228	185,913,669	756,921,722	281,839,450	318,177,269
<i>Exports (Foreign Produce)</i>									
<b>Totals, 1937.....</b>	<b>984,621</b>	<b>62,814</b>	<b>826,371</b>	<b>8,940,097</b>	<b>739,565</b>	<b>7,457,235</b>	<b>15,829,730</b>	<b>1,069,952</b>	<b>13,547,931</b>
1936.....	1,069,426	105,409	896,507	5,806,886	588,004	4,791,098	12,499,748	923,993	10,817,419
1935.....	1,547,051	49,558	1,440,157	6,366,083	471,333	5,508,436	9,296,033	739,040	7,852,753
<i>Excess of Imports (i) or all Exports (e)</i>									
<b>Totals, 1937.....</b>	<b>(e) 28,146,456</b>	<b>(e) 22,050,322</b>	<b>(i) 763,222</b>	<b>(e) 173,138,242</b>	<b>(e) 129,115,710</b>	<b>(i) 1,136,919</b>	<b>(e) 403,960,764</b>	<b>(e) 277,813,793</b>	<b>(e) 53,755,129</b>
1936.....	(e) 31,147,380	(e) 26,931,514	(e) 909,635	(e) 161,888,688	(e) 129,115,111	(i) 7,202,330	(e) 342,097,087	(e) 245,933,815	(e) 41,039,769
1935.....	(e) 16,418,441	(e) 11,080,099	(e) 3,297,632	(e) 107,810,429	(e) 74,825,432	(e) 9,445,790	(e) 235,495,827	(e) 169,116,892	(e) 20,876,670

## ESTABLISHMENT OF A FRESHWATER FISHERY SERVICE BUREAU IN NEW YORK

D. S. COLE, CANADIAN TRADE COMMISSIONER

New York, September 1, 1937.—The Peek Slip freshwater fish market in New York City is the largest of its kind in the United States. Millions of pounds of lake and river fish are sent to it every year and disposed of at a wide range of prices, depending upon market conditions of supply and demand.

In the interests of shippers and dealers, an organization, known as the Fishery Service Bureau, has been formed. This organization, which commenced operations on August 30, is sponsored by the Middle Atlantic Fisheries Association, 203 Front Street, New York, and is under the direct supervision of the secretary of that body, who is a member of the Fishery Advisory Committee of the United States Department of Commerce.

The bureau had its inception at an informal meeting held at Ottawa in the latter part of May, which was attended by officials of the Dominion and Provincial Governments of Canada, delegates from the United States, and Canadian fishermen associations and others interested in the freshwater fish industry. Its services are offered to fishermen throughout Canada who are interested in the New York market, and it is believed that its operation will tend toward improving conditions now existing on the Peek Slip market.

### SERVICE RENDERED

The bureau will act as the shippers' agent in handling claims against market dealers or transportation companies. Inspection service will be provided for shipments that arrive in bad or damaged condition or that are not up to standard. It will investigate and adjust complaints and perform such other duties as are in the shippers' interests. It is the intention to compile daily records of market prices and reports on market conditions, to be supplied to members in periodic bulletins. Information files will be maintained covering the financial standing of all Peek Slip dealers.

### MEMBERSHIP

Membership in the bureau, which will not be operated for profit-making purposes, is restricted to fishermen and shippers who market their freshwater fish in New York. Fishermen in the State of Michigan form the nucleus of bureau membership, and efforts are being made to extend the membership throughout the Great Lakes area on the United States side.

### DUES

Dues have been fixed at 5 cents per box for 50-pound boxes, to be paid by the dealer in New York and deducted from the shipper's invoice or bill. For fish received from Canada packed in 60-pound cases the New York dealers will pay into the bureau 10 cents per case, without charging anything back to the shipper; one-half of this amount is to be retained by the bureau and the other half to be used for advertising. Under this plan, membership in the Bureau will be without cost to Canadian fishermen or shippers, but they must sign up for membership and agree to pack 60 pounds of fish to the case instead of 50 pounds as formerly. The above charges are for direct sales.



## WHEAT AND FLOUR TRADE REGULATION IN EUROPEAN COUNTRIES<sup>1</sup>

### V. France

J. P. MANION, ASSISTANT COMMERCIAL ATTACHÉ

Paris, August 14, 1937.—Since 51 per cent of the population of France live in rural districts, the preponderant economic interests are agricultural. The policy of agricultural protection is naturally an inherent part of all government programs. There have been times when world prices were sufficiently high to afford satisfactory returns for their products to the rural population, but at other periods government intervention has been necessary. The two main branches of agriculture which have been in most need of supervision and control are wine production, which suffers from continued over supply, and wheat raising, due to high cost of production.

### DEVELOPMENT OF THE WHEAT PROBLEM

French soil has been tilled for centuries and therefore requires a high degree of chemical fertilization aided by scientific rotation of crops. To avoid soil depletion, average tillable land requires per acre 180 pounds of sulphate of ammonia, 350 pounds of superphosphates, and 175 pounds of potassium chloride, costing 100, 60, and 90 francs respectively. The total cost is about 250 francs per acre, or for a production of 24 bushels per acre a cost of 10 francs per bushel. Prior to the last devaluation this was equivalent to about 60 cents a bushel. It is probable that the cost is now increasing, and will again reach somewhat similar levels in terms of Canadian currency. Because of this added charge to the producer, the French Government felt obliged to raise the tariff to 80 francs a quintal, or 85 cents a bushel, in May, 1930, at the beginning of the disastrous fall in world prices.

### AVERAGE PRODUCTION

The French farmer could not have expected or received such protection if production had been either negligible or excessive. As a matter of fact all statistics lead to the conclusion that France is nearly self-supporting in wheat. Over the forty-year period 1891-1931, production averaged 285,550,000 bushels, while consumption was about 325,000,000 bushels. This means that French production amounted to 85 per cent of demand, and that France was obliged to import a little less than 40,000,000 bushels a year. In the meantime the French North African colonies had developed their production to such an extent that France could expect average shipments of about 16,000,000 bushels from that source, leaving only 24,000,000 bushels, or 8 per cent of requirements, to be imported from foreign countries.

### SUDDEN EXCESS CROPS

In the summers of 1932 to 1934 weather conditions were so favourable that crops were 364, 362, and 338 million bushels respectively. Over the period of three years this amounted to a total excess of 90,000,000 bushels, or with North African imports added, a surplus of 145,000,000 bushels.

Regulations were naturally put into effect to restrict imports and stimulate artificial consumption of stocks in order to prevent an internal fall in prices. Since all the different systems have had their various uses, and since under the new law the Wheat Board has been given full powers to deal with any situation

<sup>1</sup> Earlier reports in this series were published in the *Commercial Intelligence Journal* as follows: United Kingdom, No. 1748; Belgium No. 1751; Germany, No. 1752; Norway, No. 1753.

which may arise and would likely use methods previously practised, it may be of interest to summarize the various expedients in use previous to the enactment of the present wheat law.

#### REGULATIONS PRECEDING PRESENT LAW

Quite naturally the first form of market control in France was by means of customs duties. Up to August, 1924, the duty on wheat was 7 francs per quintal; in August it was doubled; in August, 1926, it was increased to 18 francs; in September, 1927, to 25 francs; in November to 35 francs; in May, 1929, to 50 francs; and in May, 1930, to 80 francs. The duty is now 96.40 francs or \$1 a bushel. That these rates were in no way meant to be prohibitive, but rather to counterbalance falling world prices, may be seen from the fact that the duty-paid import price during those years was rarely much higher than the price of domestic grades. By the season 1930-31 Liverpool prices were declining to such an extent that even a tariff which was at the maximum level could not maintain the quotation for imported wheat above the domestic price.

From that time on various other restrictions were imposed. Milling percentages were resorted to, and import licences to guard against fraudulent entries. By April 16, 1933, however, it was decided that no more imports for consumption would be allowed. From then on imports were only allowed if equivalent amounts of wheat derivatives were re-exported.

#### OTHER MEASURES

Because of the excessive crops, previously referred to, the Government was obliged to find other means of disposing of its surplus without breaking the price structure. From 1933 to 1936 exports of 53,000,000 bushels and 38,000,000 bushels to be denatured for use as feed were subsidized. As this amounted to 91,000,000 bushels out of a total surplus of 148,000,000, only a fairly normal amount remained at the beginning of the 1936-37 season, and this fortunately was assured more normal liquidation by reason of the 40,000,000 bushels deficit in the previous year's crop.

During the period of stress, 1932-36, the reduction of the foreign milling percentage to zero and the obligation to export quantities of wheat derivatives equal to amounts of wheat imported for mixing reduced importation to 30,000,000 bushels per year, and finally to 20,000,000 bushels. As this included free wheat from North Africa to the extent of about 66 per cent, it will be seen that the measures were effective.

Internally several different methods had already been found for preventing surpluses from weighing on the market. When the first large crop was announced, the Government decided to interest producers in stockage and carry-over contracts. Stockage contracts meant that, against a fixed price for his wheat, the farmer agreed to hold his grain off the market until stated periods during the crop year, when the Government could call on certain proportions of his reserve.

Another method more generally utilized in 1934 and 1935 was the carry-over contract, by which the producer kept his grain off the market for the whole crop year against a fixed minimum price guaranteed for the following year. As time went on these systems became very much involved. Stocks left over on stockage contracts became automatically carry-over stocks at the end of the crop year, usually at a price different from that set for the original carry-over contracts. As the Government did not want to lose too much money, millers were obliged to use definite proportions of the different wheats, which they had to buy at the fixed prices. Thus in 1935 and early 1936 millers often had to buy



1932 stockage wheat at one price, 1932 carry-over wheat at another, 1933 stockage at still another, and so on. As world prices were going down in the meantime, the French consumer lost a great deal of money by paying higher than the market price.

#### DENATURATION

Another form of liquidation was denaturation. Wheat was rendered unfit for human consumption by the addition of methylene blue, and the Government provided the difference between the market price for bread wheat and that for feed wheats. Besides being very expensive, this system weighed heavily on the market for secondary grains because of added competition.

Still another method of decreasing excess stocks was by stipulating the extraction rate for flour. Lowering the extraction rate from 72 to 66 per cent requires 9.1 per cent more grain for the same amount of flour. Various decrees were passed from 1932 to 1934 fixing the extraction rate at around 65 and 66 per cent. This increased the use of wheat for bread making, but by how much, it is impossible to say.

The new law, giving full power to the National Wheat Office, would permit, in case of future excessive crops, the use of any or all of these methods. The National Office would naturally use the cheapest one, exportation, as long as a differential export price could be paid to the producers.

#### NATIONAL WHEAT OFFICE

##### ORGANIZATION AND DUTIES

A law was passed on August 15, 1936, instituting a National Wheat Office. The duties of this organization are: to fix the price of wheat to the producer, the conditions of trade, and the selling price to the millers; to determine the amount of wheat which could be placed on the market in the course of any one month; to arrange for immediate advances to the producer; where necessary, to control production and regulate the liquidation of surpluses; and to have an absolute monopoly of import and export trade. Since the price of bread was already under the control of departmental prefects, based on definite principles of price-spread, the whole transition from the producing to the consuming stage was therefore placed under the direct supervision of the State.

For the purposes of administration, complete power was vested in a Central Council composed of fifty-two members, of which thirty are representatives of the producers; nine of the consumers; nine represent millers, bakers, and the trade; and four represent various departments of the Government.

The decisions of a straight majority are effective except in fixing the price of wheat, when four-fifths of the members constitute a quorum, and three-quarters of those present must be in agreement. If these conditions are not fulfilled, price-fixing powers are transferred to the Government in Council. It is interesting to note that no agreement could be reached by the Central Council last year, and that the same situation existed this year for the fixing of the price of durum wheats. In both cases the Government was obliged to make the decision.

Execution of Central Council decisions was left in the hands of departmental committees formed on the same basis as the National Council. Since there are ninety departments in all, this represents a formidable array of administrators throughout the country. The departmental committees are also responsible for gathering information for the use of the Central Council and for the formation of co-operatives to handle the purchases from the producers.

Between April 15 and May 1 of each year every producer must submit an exact statement of the acreage sown to wheat. By August 15 the Central

Council must fix the price of wheat for the crop year. This has recently been changed to July 1 in the case of Durum wheats, since these are raised in the North African colonies, where the crop is harvested by that date.

Before September 30 all producers must declare the total amount of their crops.

#### MEASURES TO CONTROL PRODUCTION

On the basis of crop figures and the rate of liquidation, the Central Council is to decide before February 1 of each year what amounts, if any, of wheat are to be imported or exported up to September 1, the date on which the following year's crop will be at the disposition of the market. In so far as exports are necessary to prevent an undue surplus, these will be charged against producers who have exceeded their normal output, in proportion to this surplus, and the Central Council may fix the amount of reduction from the fixed price which such producers will have to bear in order to align the export price with the world market price.

This is the only clause in the act which might tend effectively to control production. Another clause states that no producer may sow more than his usual amount of wheat, having regard to local custom, nor use the same land for wheat production during two years in succession, again having regard to local custom. These two regulations are considered impossible of application except by the denouncement of one farmer by another.

#### MARKETING REGULATIONS

Before November 1 the Central Council will fix the proportion of each producer's wheat to be placed on the market month by month up to June 30 of the following year. Previous to this the first 100 quintals of each farmer's production may be marketed, this amount being considered sufficient for current needs.

As soon as the price of wheat is fixed, the farmer may obtain immediate payment of the full price for his first 100 quintals of wheat. If he wishes to sell previous to the fixing of the wheat price, he will receive for his first 100 quintals a certain percentage of the probable price. This year, for instance, he may receive 150 francs per quintal—about \$1.50 a bushel—while awaiting the fixed price, which will probably be in the neighbourhood of 175 francs, or \$1.75 per bushel. If, on the other hand, the farmer wishes to obtain advances on wheat deliverable in the future according to the Government's plan for orderly marketing, he may obtain very favourable rates of interest through the Government-controlled agricultural credit organizations.

As regards the fixed price for wheat, account is to be taken of the costs of storage, and the price is to go up 1 franc a month until January and 1.50 francs per month thereafter.

All holders of old-stock wheat at the end of July must declare the exact amount of their stocks. A recent decree states that holders will be obliged to pay into the treasury of the National Wheat Office after the beginning of the new crop year the difference between the price for the previous crop as at July and the price to be fixed for the new crop in August. The reverse would probably not apply if the new price were to be reduced, and this naturally will tend to encourage continually rising prices, since the National Wheat Office is expected to be a self-supporting body and gratuitous increment of this nature is probably most welcome.

#### FINANCING THE CROP

The National Wheat Office received an advance of 20,000,000 francs, repayable without interest within two years, to help in its original organization.



Advances on undelivered wheat, or payments to producers by co-operatives of wheat not yet sold by them, are to be treated as ordinary commercial paper, rediscountable at specially low rates of interest with the Bank of France.

While the fixed price of wheat goes directly to the producer for delivery to the nearest co-operative, on amounts over 100 quintals (about 400 bushels), there is a production tax of 1 franc per quintal—about 1 cent a bushel—on the first 400 bushels, of 2 cents a bushel on the next 800, increasing to 6 cents on amounts over 4,000 bushels. The whole of this revenue is to go to the National Wheat Office.

In addition to this, millers are to pay a tax of about \$1.50 a ton on flour produced above the first 800 tons, which are exempt. If they produce over 10,000 tons a year the tax is about \$2 a ton. Of this tax 15 per cent goes to the National Wheat Office and the remainder into the regular revenue channels of the Government.

A tax of 15 centimes per quintal is also charged on all wheat transactions, through brokers or co-operatives. On a total crop of 300,000,000 bushels this would only amount to about \$400,000. The fund so raised is to be an insurance or guarantee fund to cover losses incurred through the failure of any member of the organization.

Reviewing the financial aspect from the point of view of the producer, according to the provisional arrangements made for the 1937 crop, on June 30, the National Wheat Office decided that each producer had a right to sell immediately 100 quintals (400 bushels) of wheat to co-operatives or grain dealers, plus one-tenth of his remaining production. For the first 50 quintals or 200 bushels the farmer is to receive immediate payment of 150 francs, and for the other 50 quintals and his extra proportion of one-tenth, 100 francs. In other words, a farmer producing 1,000 bushels will obtain immediately \$1.50 a bushel for 200 bushels and \$1 a bushel for 200 bushels plus 60 bushels, which represents one-tenth of his total production over the 400 bushels allowed. The farmer would therefore receive immediate payment of \$560 for 460 bushels, and would obtain the remainder of his money as soon as the final price of wheat was set for the remainder of the year. As far as the other 540 bushels are concerned, he could only obtain payment progressively throughout the year, as the Government may decide to allow the liquidation of the crop, unless he wishes to obtain advances on wheat unsold, in which case he may obtain two-thirds of the value against a note at regular interest.

Of the amount received he would probably have to spend immediately about \$400 to buy fertilizer for his land, and on a production of 1,000 bushels he would also pay a production tax of \$8.

#### THE PRINCIPLES OF PRICE-FIXING

In calculating the price to be fixed for deliveries of wheat, it was accepted that the average price during the years 1911 to 1913 had brought a satisfactory return to the farmer. It was therefore decided that this average price could be taken, and multiplied by four different coefficients: (a) increase in cost of living, (b) increase in salaries of agricultural workers, (c) increase in price of production goods, and (d) increase in fiscal charges weighing on the producer. The quotient of these increases is generally accepted to be between five and six times pre-war values (the franc was worth about six times more prior to 1920).

Because these conditions are duly specified in the law, the price must be set according to the mathematical formula resulting from these factors, but it is probable that the coefficients of multiplication are increased or reduced according to the price which the Central Council or the Government wishes to set.

Once set, however, the price has the advantage of being fixed for delivery by producers at the nearest point and of being stable for the remainder of the year. At one period during the crop year 1936-37 the French price was actually lower than the world price, and there was a great demand for an upward revision of the domestic price. For the sake of future security, and as a guarantee of stability, the Government refused to revise the price upwards.

From a basic price of 140 francs in September, 1936, the price went up 1 franc per month until the end of January, to cover storage charges, and by 1.50 francs thereafter. It is almost certain that these charges were not sufficient to cover the actual cost of stocking wheat by co-operatives, and they have probably been obliged to cover losses.

The price for the current year's domestic crop has not yet been set, except for Durum wheat, grown only in French North Africa, which has already been fixed at 169 francs, due to the fact that the crop is harvested there very much earlier. It is probable, therefore, that the domestic price will be slightly higher than this.

As the price of old-stock wheat for July had increased to 153 francs, due to storage charges, there will be an increase of about 17 francs a quintal, or 17 cents a bushel, in the price of new wheat. Since buyers who had stocked large quantities of old wheat or its derivatives could make a speculative profit, the Central Council has just decided that all holders must declare their stocks and as soon as the new price is officially fixed they will be obliged to pay the difference in price between old and new wheat into the National Wheat Office.

#### IMPORTS AND EXPORTS

The most important feature of the new law from the point of view of Canada is the monopoly of import and export vested in the National Wheat Office. By this monopoly the Wheat Office need not necessarily handle each transaction from the trading point of view, but reserves the right to do so.

Real imports and exports may only take place when the Central Council so decides. If a decision is made to export certain quantities of wheat, the Central Council may, as it recently did, call for tenders. French dealers or foreign buyers may tender at a certain price f.o.b. the place where the wheat is stored. The higher the price the less the Wheat Office will lose in export subsidy if French wheat is above world prices, and therefore the highest tender will be accepted. The Central Council could presumably act in any other way it deemed satisfactory, but they adopted this system recently for a small shipment of 5,000 tons.

Although no transactions have taken place on the import side, it is probable that if the Central Council decided that wheat was needed they would ask for tenders on various lots of foreign wheat. In case of real imports the foreign wheat would not be brought in for the purpose of mixing to produce better quality, but merely to supplement local supplies. If foreign wheat were cheaper than domestic grades the council would probably accept the cheapest bids, and charge customs duty sufficient to equalize the price of imported and domestic grain to the ultimate consumer.

In this connection it is interesting to note that although the customs duty is now 96.40 francs a quintal, or approximately \$1 a bushel, the Central Council has the right to adjust the duty downward on all imports. This feature is quite important from the point of view of a fixed price, since it ensures an equalization of cost price of wheat to the consumer and prevents speculative losses or profits.

#### MILLING IN BOND

While little net imports have been brought into France during the past five years, there has always existed a system of milling in bond which permits of



the strengthening of French flours by mixing with strong gluten wheats. Up to August, 1936, this was called the temporary admission system, because imports could take place provided equivalent exportation was made within a specified time in the future.

So many objections to this system had been raised prior to the passing of the new law that a change was expedient. It was thereupon decided that in all future transactions entailing milling in bond the exportation of French wheat or its derivatives would have to take place prior to the importation of compensating amounts. In this way a closer check could be kept on transactions, since no imports could be cleared unless export clearance papers covering the amount of the imports were duly surrendered.

A miller wishing to import hard wheat for mixing must make a demand under defined conditions to the Central Council, accompanying his demand with a statement of imports during previous years. Demands may be granted only in fixed proportions to previous imports. At the same time he must make a demand for permission to export certain specified amounts and types of wheat derivatives.

Under present regulations, if an export licence for 100 bushels is granted, a licence to import 71 quintals of foreign wheat will be granted at the same time, good for two months from the date of issue. Exports must take place previous to the arrival of the imported lot, so that clearance papers may be in order. The actual trading may be done through dealers or brokers.

Because of the rigidity of the requirements, millers do not import more than the bare minimum necessary for strengthening their output of flour. In the first place they must sell their exported flour on some foreign market, very often at a loss, so that there is every inducement to import as little as possible. Not more than 5 per cent strong wheat is used in the mixtures of the best millers at the present time, merely because of the difficulties of importation. Under ordinary conditions most French millers are in agreement that about 15 per cent strong wheat would be necessary for the production of the type of flour best suited to French requirements.

## JAPAN'S FOREIGN TRADE, JANUARY TO JUNE

A. K. DOULL, ACTING COMMERCIAL SECRETARY

(For purposes of comparison the average rate of the yen for the first six months of 1937 and 1936 may be taken as 28½ cents Canadian funds)

Tokyo, August 12, 1937.—Japan's total foreign trade for the first six months of 1937 was valued at 3,673,696,469 yen as against 2,707,790,454 yen in the 1936 half-year period, an increase of 965,906,015 yen. Exports were valued at 1,527,776,070 yen as compared with 1,217,968,316 yen, an increase of 309,807,754 yen; imports were valued at 2,145,920,399 yen as against 1,489,822,138 yen, an increase of 656,098,261 yen. Japan has thus an unfavourable balance of trade during the period under review amounting to 618,144,329 yen as compared with an excess of imports in 1936 amounting to 271,853,822 yen, an increase of 346,290,507 yen.

### EXPORTS BY PRINCIPAL COUNTRIES

The following list shows Japan's twenty best customers during the first six months of 1937 in order of the value of products which were exported to them: United States, 336,532,193 yen; Kwantung Province, 179,559,202 yen; China Proper, 124,997,393 yen; British India, 122,436,883 yen; Dutch East Indies, 115,267,675 yen; Manchukuo, 91,826,840 yen; Great Britain, 68,606,055 yen;

Straits Settlements, 40,008,101 yen; Hongkong, 34,932,385 yen; Philippine Islands, 29,616,612 yen; Siam, 28,146,983 yen; Australia, 24,439,423 yen; South Africa, 22,212,123 yen; Germany, 20,657,667 yen; France, 20,587,288 yen; Egypt, 15,721,394 yen; Argentina, 14,995,458 yen; Kenya, Uganda, and Tanganyika, 14,752,309 yen; Iraq, 12,509,518 yen; Belgo-Luxemburg Economic Union, 9,884,648 yen.

#### EXPORTS BY COMMODITIES

Cotton tissues were as usual Japan's largest export for the first six months of 1937. Exports of this product amounted to 1,259,936,508 square yards (269,-453,824 yen) as against 1,334,031,064 square yards (229,417,024 yen), a decrease in quantity although an increase in value. Of total exports of cotton tissues, 358,158,929 square yards (67,001,437 yen) were classified as "grey," 324,183,455 square yards (61,788,763 yen) as "bleached," and 577,594,124 square yards (140,663,624 yen) as "other." The largest purchasers of "grey" cotton tissues were the Dutch East Indies (11,732,452 yen), Manchukuo (8,601,062 yen), British India (6,065,469 yen), and China Proper (5,763,738 yen). "Bleached" cotton tissues were exported chiefly to the Dutch East Indies (13,769,042 yen), the United States (12,960,560 yen), Kwantung Province (4,619,823 yen), British India (3,267,138 yen), Manchukuo (3,198,955 yen), and French Morocco (2,974,-203 yen). "Other" cotton tissues went chiefly to the Dutch East Indies (31,-907,288 yen), Manchukuo (12,132,381 yen), British India (8,908,638 yen), Kwantung Province (8,020,388 yen); Argentina (7,129,856 yen), Kenya, Uganda, and Tanganyika (5,319,094 yen), and the Straits Settlements (4,775,658 yen).

Raw silk was Japan's second largest export item and amounted to 209,241 bales (186,396,160 yen) as against 187,596 bales (149,435,555 yen), an increase in both quantity and value. As usual, the United States was Japan's largest raw silk customer, taking 179,548 bales (159,181,808 yen) as compared with 153,063 bales (121,978,413 yen) in the 1936 half-year period, an increase in both quantity and value. Other purchasers of raw silk from Japan were Great Britain (11,-442,129 yen), France (9,080,288 yen), Australia (2,464,593 yen), and British India (2,065,217 yen). Canada's purchases of raw silk from Japan amounted to 436 bales valued at 419,830 yen as against 332 bales valued at 265,476 yen in last year's similar period. This is according to Japanese statistics, which do not take into account the fact that Canada buys nearly all her requirements of Japanese raw silk directly from New York, and they are naturally shown as exports of raw silk to the United States in Japanese trade returns.

Japan's third largest export item was that of artificial silk tissues, amounting to 239,635,204 square yards (75,107,580 yen) as against 257,653,089 square yards (72,131,410 yen), a decrease in quantity and an increase in value. The largest purchasers of this product were British India (15,586,507 yen), Kwantung Province (9,627,339 yen), the Dutch East Indies (5,819,890 yen), Hongkong (5,674,978 yen), and Australia (5,012,486 yen).

#### EXPORT VALUES EXCEEDING 10,000,000 YEN

The following products were exported to a value exceeding 10,000,000 yen:—

Machinery and parts thereof (57,117,788 yen), chiefly to Kwantung Province, China Proper, Asiatic Russia, and British India; iron (50,508,691 yen), chiefly to Kwantung Province, China Proper, and the Dutch East Indies; comestibles (37,880,919 yen), chiefly to the United States and Great Britain; silk tissues (34,394,203 yen), chiefly to British India, the United States, Great Britain, and the Straits Settlements; iron manufactures (26,921,907 yen), chiefly to Kwantung Province, the Dutch East Indies, and British India; knitted goods (26,758,017 yen), chiefly to the United States, Dutch East Indies, Great Britain, and the Philippine Islands; pottery (24,295,871 yen), chiefly to the United States, the Dutch East Indies, British India, and Canada; cotton yarns (23,832,685 yen), chiefly to British India, the Dutch East Indies, Manchukuo, and Hongkong; artificial silk (20,744,812 yen), chiefly to British India, China Proper, and Mexico; woollen tissues (19,930,278 yen), chiefly



to Kwantung Province and China Proper; paper (19,584,352 yen), chiefly to Kwantung Province, China Proper, and Manchukuo; toys (18,833,582 yen), chiefly to the United States and Great Britain; glass (16,911,502 yen), chiefly to British India, the United States, the Dutch East Indies, and the Philippine Islands; lumber (14,678,148 yen), chiefly to Great Britain, Kwantung Province, and China Proper; vegetable oils (14,117,068 yen), chiefly to the United States; hats, caps, and hat bodies (13,164,614 yen), chiefly to the United States, China Proper, and Great Britain; aquatic products (10,822,614 yen), chiefly to China Proper, Kwantung Province, the United States, Hongkong, and the Straits Settlements; lamps and parts (10,820,869 yen), chiefly to the United States and Great Britain; and sugar (10,360,332 yen), chiefly to China Proper and Kwantung Province.

### IMPORTS BY COUNTRIES

The following list shows Japan's twenty largest suppliers during the first six months of 1937 in order of the value of products which were imported from them: United States, 635,266,827 yen; British India, 308,831,132 yen; Manchukuo, 140,515,576 yen; Australia, 127,331,822 yen; China Proper, 103,357,644 yen; Germany, 89,558,793 yen; Dutch East Indies, 80,057,064 yen; South Africa, 72,090,479 yen; Great Britain, 57,540,512 yen; Egypt, 56,519,709 yen; Straits Settlements, 47,430,977 yen; Canada, 44,500,758 yen; New Zealand, 42,213,562 yen; Uruguay, 30,327,991 yen; Argentina, 27,462,430 yen; Philippine Islands, 24,628,771 yen; Sweden, 23,740,130 yen; Kwantung Province, 23,584,620 yen; British Malaya, 22,711,696 yen; Kenya, Uganda, and Tanganyika, 19,183,467 yen.

### IMPORTS BY COMMODITIES

#### RAW COTTON

Raw cotton was, as usual, Japan's largest single import item, imports of which were valued at approximately 30 per cent of Japan's total imports for the period under review. These imports of raw cotton amounted to 1,328,799,120 pounds (630,715,186 yen) as against 1,111,630,872 pounds (452,490,966 yen) in the 1936 similar period, a large increase in both quantity and value. It is of interest to note that imports of raw cotton from British India (268,934,287 yen) exceeded those from the United States (258,036,676 yen) inasmuch as the United States has always been Japan's largest supplier of this product. This is the principal change in raw cotton imports, but increases in purchases from Egypt (51,868,885 yen), China Proper (19,707,260 yen), Kenya, Uganda, and Tanganyika (17,322,043 yen) should be noted, while the Straits Settlements (9,298 yen) appears on the list for the first time in many years. Purchases from Egypt show an increase of 300 per cent as against last year's figure.

#### WOOL

Japan's second largest import was sheep's wool, amounting to 219,824,220 pounds (258,003,233 yen) as against 178,534,488 pounds (167,471,598 yen), a large increase in both quantity and value. Although Australia maintained her position as the largest supplier of sheep's wool to Japan, imports from that country fell from 143,073,151 yen in the 1936 period to 101,234,268 yen during the period under review, due to the partial boycott on Australian wool by Japan. On the other hand, imports of sheep's wool from South Africa rose from 3,531,516 yen in the 1936 half-year period to 69,584,000 yen during the period under review. This is easily the outstanding change in any item of Japan's trade. New Zealand more than doubled its sales to Japan (39,210,917 yen), while imports of sheep's wool from Argentina were valued at 15,255,013 yen as against only 981,851 yen during the 1936 similar period. As Japan's dispute with Australia has now been settled and as wool prices have risen, it is not unlikely that Australia's total will recover completely before the end of the year.

## IRON AND STEEL

The third largest import was iron and steel, valued at 154,106,820 yen as against 55,361,668 yen, an increase of 98,745,152 yen. The United States (81,504,789 yen) was the largest supplier of iron and steel to Japan, followed by Germany (10,302,848 yen), British India (8,529,976 yen), Belgium (8,491,096 yen), and Great Britain (7,899,454 yen). In addition to the above-mentioned imports of iron and steel, there were imports of pig iron valued at 26,372,088 yen, which came chiefly from the United States, British India, and Manchukuo.

## MINERAL OIL

Imports of crude and heavy mineral oil were valued at 86,171,356 yen as against 66,228,561 yen, an increase of 19,942,795 yen. Of total imports of crude and heavy mineral oil, imports from the United States were valued at 61,166,085 yen and from the Dutch East Indies at 11,902,738 yen. In addition to the above oil imports there were further imports of mineral oil under 0·8762 S.G. which were valued at 24,879,261 yen as against 21,940,263 yen, an increase of 2,938,998 yen. This oil came chiefly from the Dutch East Indies (17,548,316 yen) and the United States (5,552,985 yen).

## MACHINERY

Fifth largest import was machinery valued at 78,870,207 yen as against 46,595,754 yen, an increase of 32,274,453 yen. The United States (37,884,819 yen) was the largest supplier, followed by Germany (19,957,335 yen) and Great Britain (12,310,042 yen).

## VALUES EXCEEDING 10,000,000 YEN

The following other products were imported to a value exceeding 10,000,000 yen:—

India-rubber and gutta-percha, crude (72,006,735 yen), chiefly from the Straits Settlements, the Dutch East Indies, and French Indo-China; beans (62,256,260 yen), chiefly from Manchukuo; paper and rayon pulp (48,077,572 yen), chiefly from the United States, Sweden, Norway, and Canada; copper (45,344,490 yen), chiefly from the United States; oilcake (32,059,917 yen), chiefly from Manchukuo, Kwantung Province, and China Proper; coal (29,452,079 yen), chiefly from Manchukuo, China Proper, and French Indo-China; oil-yielding materials (28,024,722 yen), chiefly from China Proper and Manchukuo; ores (27,877,909 yen), chiefly from China Proper and British India; automobiles and parts (25,249,048 yen), chiefly from the United States; lumber (25,232,550 yen), chiefly from the United States, the Philippine Islands, and Canada; lead (24,540,694 yen), chiefly from Canada and British India; "other" vegetable fibres (22,847,907 yen), chiefly from the Philippine Islands, British India, and China Proper; hides and skins (20,502,456 yen), chiefly from China Proper, the United States, Australia, and Argentina; wheat (16,986,228 yen), chiefly from Australia, Canada, and Argentina; tin (15,475,691 yen), chiefly from the Straits Settlements; sulphate of ammonia (11,066,425 yen), chiefly from Germany and Kwantung Province; and phosphorite (10,972,226 yen), chiefly from Egypt, the United States, and the Straits Settlements.

## VALUES UNDER 10,000,000 YEN

The following products were imported to a value not exceeding 10,000,000 yen and not less than 1,000,000 yen:—

Sugar, chiefly from the Dutch East Indies; fresh beef, chiefly from China Proper; leather, chiefly from British India; beef tallow, chiefly from Australia; caustic soda, chiefly from Great Britain; nitrate or soda, chiefly from Chile; synthetic colours, chiefly from Germany and Switzerland; woollen tissues, chiefly from Great Britain; newsprint, chiefly from Canada; rail and fish-plates, chiefly from the United States; aluminium, chiefly from Canada; zinc, chiefly from Australia, Canada, and the United States; watches and parts, chiefly from Switzerland; dynamos, transformers, etc., chiefly from Germany and the United States; and wheat bran, chiefly from China Proper and Manchukuo.



## SUMMARY OF THE FOREIGN TRADE OF JAPAN

The following is a summary of Japan's foreign trade for the first six months of 1937 and 1936, ended June 30:—

	1937 Jan.-June Yen	1936 Jan.-June Yen	Increase Per Cent
Imports . . . . .	2,145,920,399	1,489,822,138	44.0
Exports . . . . .	1,527,776,070	1,217,968,316	25.4
Total . . . . .	3,673,696,469	2,707,790,454	35.7
Excess of imports . . . . .	618,144,329	271,853,822	127.4

## PRINCIPAL EXPORTS AND IMPORTS

The following figures show Japan's chief exports and imports for the first six months of 1937 and 1936, together with the percentage of increase or decrease as against 1936:—

*Principal Exports from Japan*

	Jan.-June 1937 Yen	Jan.-June 1936 Yen	Inc. or Dec. Per Cent
Cotton tissues—			
Other . . . . .	140,663,624	115,779,702	+ 21.5
Grey . . . . .	67,001,437	71,458,159	— 6.2
Bleached . . . . .	61,788,763	42,179,163	+ 46.5
Raw silk . . . . .	186,396,160	149,435,555	+ 24.7
Artificial silk tissues . . . . .	75,107,580	72,131,410	+ 4.1
Machinery and parts . . . . .	57,117,788	33,314,001	+ 71.4
Iron . . . . .	50,508,691	38,720,242	+ 30.4
Comestibles . . . . .	37,880,919	27,030,193	+ 40.1
Silk tissues . . . . .	34,394,203	32,077,514	+ 7.2
Iron manufactures . . . . .	26,921,907	18,859,147	+ 42.8
Knitted goods . . . . .	26,758,017	23,371,308	+ 14.5
Pottery . . . . .	24,295,871	19,802,247	+ 22.7
Cotton yarns . . . . .	23,832,685	20,206,050	+ 17.9
Artificial silk . . . . .	20,744,812	16,489,113	+ 25.8
Woollen tissues . . . . .	19,930,278	19,339,604	+ 3.0
Paper . . . . .	19,584,352	12,017,940	+ 63.0
Toys . . . . .	18,833,582	15,148,443	+ 24.3
Glass . . . . .	16,911,502	12,293,188	+ 37.6
Lumber . . . . .	14,678,148	10,502,433	+ 39.7
Vegetable oils . . . . .	14,117,068	25,136,431	— 43.8

*Principal Imports into Japan*

	Jan.-June, 1937 Yen	Jan.-June, 1936 Yen	Inc. or Dec. Per Cent
Raw cotton . . . . .	630,715,186	452,490,966	+ 39.4
Sheep's wool . . . . .	258,003,233	167,471,598	+ 54.1
Iron and steel . . . . .	154,106,820	55,361,668	+ 178.4
Mineral oil (crude and heavy) . . . . .	86,171,356	66,228,561	+ 30.1
Machinery . . . . .	78,870,207	46,595,754	+ 69.3
Rubber . . . . .	72,006,735	30,654,192	+ 134.9
Beans . . . . .	62,256,260	50,504,165	+ 23.3
Pulp (paper and rayon) . . . . .	48,077,572	30,407,720	+ 58.1
Copper . . . . .	45,344,490	14,717,393	+ 208.1
Oil cake . . . . .	32,059,917	25,719,315	+ 24.6
Coal . . . . .	29,452,079	24,981,011	+ 17.9
Oil yielding materials . . . . .	28,024,722	26,247,983	+ 6.8
Ores . . . . .	27,877,909	20,293,574	+ 37.4
Pig iron . . . . .	26,372,088	21,510,782	+ 22.6
Automobiles and parts . . . . .	25,249,048	22,844,274	+ 10.5
Lumber . . . . .	25,232,550	25,510,790	— 1.1
Mineral oil under 0.8762 S.G. . . . .	24,879,261	21,940,263	+ 13.4
Lead . . . . .	24,540,694	12,466,386	+ 96.8
Other vegetable fibres . . . . .	22,847,907	17,008,993	+ 34.3
Hides and skins . . . . .	20,502,456	12,267,347	+ 67.1

### Japan's Trade with Canada

Japan's total trade with Canada for the first six months of 1937 was valued at 53,903,570 yen as against 39,097,378 yen in the 1936 half-year period, an increase of 14,806,192 yen. Exports to Canada were valued at 9,402,812 yen as against 5,428,769 yen, an increase of 3,974,043 yen; imports from Canada at 44,500,758 yen as against 33,668,609 yen, an increase of 10,832,149 yen. Japan had thus an unfavourable balance of trade with Canada amounting to 35,097,946 yen as against an excess of imports in the 1936 similar period of 28,239,840 yen. This is according to Japanese statistics, which do not, of course, show indirect exports to Canada of such products as raw silk, which is purchased through New York. If Canada's purchases of raw silk were taken into account, Japan's unfavourable balance of trade with Canada would be reduced to a considerable extent.

#### EXPORTS TO CANADA

Japan's largest export to Canada is raw silk, but, as has been mentioned above, this product is imported into Canada from the United States, and is therefore shown in Japanese statistics as an export to the United States. According to Japanese statistics, direct exports of raw silk to Canada amounted to 436 bales valued at 419,830 yen during the period under review.

According to returns of the Dominion Bureau of Statistics, Canadian imports of "silk cocoons, raw silk, not more advanced than singles, not to include material wholly or partly degummed," amounted to 1,217,299 pounds (\$2,472,365) in the first six months of 1937. This compares with 953,511 pounds (\$1,730,073) in the corresponding period of 1936. Included in these totals were 1,146,572 pounds (\$2,324,524) imported from the United States but mainly of Japanese origin as compared with 909,402 pounds (\$1,646,099) in the first half of 1936. Direct imports from Japan totalled 68,031 pounds (\$142,719) and 21,591 pounds (\$40,273) in the first six months of 1937 and 1936 respectively.

Next to raw silk, Japan's chief exports to Canada were pottery, toys, artificial tissues, rice, lamps and parts, and tea. Exports of pottery to Canada were valued at 1,034,945 yen as against 902,906 yen in the 1936 similar period, an increase of 132,039 yen. Canada was Japan's fourth largest customer for pottery exports. Exports of toys to Canada were valued at 725,233 yen as against 409,446 yen, an increase of 315,787 yen. Canada was the fifth largest buyer of Japanese toys.

Exports of artificial silk tissues to Canada were valued at 532,053 yen as against 266,407 yen, an increase of 265,646 yen. Exports of rice to Canada were valued at 401,028 yen as against 539,203 yen, a decrease of 138,175 yen. Next to Hawaii, Canada was the largest purchaser of Japanese rice.

Exports of lamps and parts to Canada were valued at 334,906 yen as against 94,966 yen, an increase of 239,940 yen.

Exports of tea to Canada were valued at 281,704 yen as against 185,514 yen, an increase of 96,190 yen. Next to the United States, Canada was the largest buyer of Japanese tea.

Other exports to Canada of importance were silk tissues (133,427 yen), brushes (82,208 yen), silk handkerchiefs (58,590 yen), buttons (57,966 yen), menthol crystals (43,840 yen), and beans (32,416 yen).



## IMPORTS FROM CANADA

Japan's largest imports from Canada for the first six months of 1937 were lead, lumber, aluminium, wheat, pulp, newsprint, and zinc.

Canada, as usual, was the Japan's chief source of supply for her lead requirements. Imports of lead from the Dominion amounted to 22,466 short tons (9,309,756 yen) as against 21,673 short tons (5,221,813 yen), a small increase in tonnage but a large increase in value owing to a rise in price of lead. Imports of lead from Canada amounted to 39 per cent of Japan's total lead imports.

Imports of lumber from Canada were valued at 4,922,560 yen as against 2,119,512 yen, an increase of 2,803,048 yen. Next to the United States and the Philippine Islands, Canada was the largest supplier of lumber to Japan. Canada generally holds second place among sources of supply for this commodity.

Imports of aluminium from Canada were valued at 3,651,087 yen as against 5,858,888 yen, a decrease of 2,207,801 yen. This decrease is due to the fact that during the first six months of 1936 large orders were placed in Canada in anticipation of higher duties being levied, which finally became effective about the middle of last year. In spite of these higher duties, imports of aluminium were normal during the period under review. Canada was by far the largest supplier of aluminium to Japan, shipments from the Dominion representing over 60 per cent of total imports.

Next to Australia, Canada was the largest supplier of wheat to Japan. Imports of wheat from Canada amounted to 751,372 bushels (3,591,727 yen) as against 1,806,035 bushels (5,472,310 yen), a decrease in quantity and value. Imports of pulp, practically all paper pulp, were valued at 3,541,357 yen as against 1,819,292 yen, an increase of 1,722,065 yen. As a supplier of pulp Canada ranked fourth, being preceded by the United States, Sweden, and Norway.

Imports of Canadian newsprint amounted to 13,660 short tons (1,911,892 yen) as against 40,225 short tons (4,586,132 yen). Due to a large increase in the price of newsprint the tonnage this year was only approximately one-third of that last year, while the value is nearly one-half. Canada, as usual, maintained her position as by far the largest newsprint shipper to Japan.

Imports of zinc from Canada amounted to 5,204 short tons (1,819,759 yen) as against 5,418 short tons (1,396,279 yen), a decrease in tonnage although an increase in value due to a rise in the price of zinc. Next to Australia (3,486,727 yen), Canada was the largest zinc exporter to Japan.

Other imports from Canada were iron, chiefly scrap (519,241 yen), copper (186,072 yen), fresh beef (111,572 yen), machinery (94,098 yen), and automobiles and parts (5,055 yen).

Statistics of imports of Canadian wheat flour are not available, but according to a Japanese firm who are practically the only importers of Canadian wheat flour at the present time, they brought in 350,000 bags during the first six months of this year. This firm imports high-grade Canadian flour with a high gluten content for manufacturing a seasoning extract known as "Ajinomoto."

## SUMMARY OF JAPAN'S TRADE WITH CANADA

The following is a summary of Japan's total trade with Canada for the first six months of 1937 and 1936, ended June 30:—

	Jan.-June, 1937 Yen	Jan.-June, 1936 Yen	Increase Per Cent
Imports .. . . .	44,500,758	33,668,609	32.2
Exports .. . . .	9,402,812	5,428,769	73.2
Total .. . . .	53,903,570	39,097,378	37.9
Excess of imports .. . . .	35,097,946	28,239,840	17.2

The following table shows Japan's chief exports to and imports from Canada for the first six months of 1937 and 1936, together with percentage of increase or decrease as compared with the corresponding period in 1936:—

### *Principal Exports to Canada*

	Jan.-June, 1937 Yen	Jan.-June, 1936 Yen	Inc. or Dec. Per Cent
Pottery . . . . .	1,034,945	902,906	+ 14.6
Toys . . . . .	725,233	409,446	+ 77.1
Artificial silk tissues . . . . .	532,053	266,407	+ 99.7
Raw silk <sup>1</sup> . . . . .	419,830	265,476	+ 58.1
Rice and paddy . . . . .	401,028	539,203	— 25.6
Lamps and parts . . . . .	334,906	94,966	+ 252.7
Tea . . . . .	281,704	185,514	+ 51.8
Silk tissues . . . . .	133,427	99,707	+ 33.8
Brushes . . . . .	82,208	48,644	+ 70.2
Silk handkerchiefs . . . . .	58,590	22,140	+ 164.6
Buttons . . . . .	57,966	57,378	+ 1.0
Menthol crystals . . . . .	43,840	21,542	+ 103.5
Beans and peas . . . . .	32,416	18,395	+ 76.2

<sup>1</sup> Direct exports only; does not include Canadian imports via New York.

### *Principal Imports from Canada*

	Jan.-June, 1937 Yen	Jan.-June, 1936 Yen	Inc. or Dec. Per Cent
Lead . . . . .	9,309,756	5,221,813	+ 78.3
Lumber . . . . .	4,922,560	2,119,512	+ 132.2
Aluminium . . . . .	3,651,087	5,858,888	— 37.7
Wheat . . . . .	3,591,727	5,472,310	— 34.4
Pulp (paper and rayon) . . . . .	3,541,357	1,819,292	+ 94.6
Newsprint . . . . .	1,911,892	4,586,132	— 58.3
Zinc . . . . .	1,819,759	1,396,279	+ 30.3
Iron and steel . . . . .	519,241	97,947	+ 443.7
Copper . . . . .	186,072	.....	.....
Beef (fresh) . . . . .	111,572	558	+ 19,895.0
Machinery . . . . .	94,098	42,733	+ 120.2

## **SLEEPERS FOR CHINA'S RAILWAYS<sup>1</sup>**

H. A. SCOTT, CANADIAN TRADE COMMISSIONER

Shanghai, August 5, 1937.—In a detailed report on China's railways which appeared in *Commercial Intelligence Journal* No. 1732 (April 10, 1937), page 540, it was pointed out that China has in recent years become "railway conscious" to a degree reminiscent of the early railway-building eras in the United States and Canada, and since 1933 this country had been the Dominion's largest market for Douglas fir ties.

### **RAILWAY CONSTRUCTION PROGRAM**

In connection with the extensive program of railway construction being carried out by the Chinese Government, a corporation known as the China Timber Industrial Company, Limited, has recently been formed in Shanghai with a capital of Chinese \$2,000,000 for the purpose of producing native railway sleepers from the forests of Szechuen province<sup>2</sup> in Western China, where there is reported to be an abundant supply of a species of pine. The capital of the

<sup>1</sup> It is suggested that this report be read in conjunction with the article on China's Railways referred to above.

<sup>2</sup> Szechuen is the most westerly province of China proper, having a population of approximately 50,000,000 people. Its chief port, Chungking, is on the Upper Yangtze river, some 1,427 nautical miles from Shanghai.



company, which is the pioneer enterprise of its kind in China, was being subscribed to in different amounts by the Ministry of Railways and the Ministry of Industries of the National Government, the Szechuen Provincial Government, the China Finance Development Corporation, the Szechuen-Kweichow Railway Company, and the Szechuen Industrial Development Corporation.

Little detailed information is so far available regarding this scheme. Authorities consulted feel that for some time to come the territory served by native-produced sleepers will be confined to railways at present being built or under consideration in Szechuen province itself. It seems reasonable to assume that irrespective of the suitability of the wood itself (concerning which little information is available) native sleepers could be supplied to railways in Szechuen province at a cost much below the imported article, taking into account cheaper labour, inland transportation charges, and ocean freight rates from the North American Pacific coast.

On the other hand it is not expected that the local product will be in a position for some time to come to compete against imported ties for the principal railways of China, as the total production will likely be taken over to satisfy local requirements in Szechuen province. In this latter connection it is calculated roughly that the Chungking-Chengtou railway now under construction, which is to be 520 kilometres in length, will need in the neighbourhood of just over 8,000,000 sleepers, and the projected Chungking-Kweiyang railway requirements are estimated at somewhat less.

#### IMPORTS OF RAILWAY SLEEPERS

Prior to 1913 imports of sleepers were included along with railway materials. For the twenty-one years from 1913 to 1933 inclusive the total imports into China proper, excluding Manchuria, amounted to 20,903,000, or an average of approximately 995,000 per annum. The heaviest import from 1913 to 1935 took place in 1914, when over 2,337,000 pieces were brought in. The lowest ebb in purchases took place between 1925 and 1929, the yearly average for this period reaching only 490,000 pieces. This was due to the fact that all railway development ceased on account of continued civil wars and lack of finances.

Some idea of the requirements in recent years and the chief sources of supply is given in the following table of imports from 1934 to 1936 by principal countries:—

	1934		1935		1936	
	Pieces	G. Units	Pieces	G. Units	Pieces	G. Units
Total . . . . .	2,451,154	2,869,615	3,702,067	4,631,483	1,757,063	2,029,595
Australia . . . . .	256,356	603,869	627,837	1,357,436	97,865	234,434
Canada . . . . .	159,085	102,554	1,401,692	1,430,182	869,456	890,117
Korea . . . . .	.....	.....	12,532	8,295	24,277	15,146
Siam . . . . .	108,081	213,184	161,325	320,415	44,427	85,450
United States. . . .	1,851,423	1,863,446	1,458,732	1,458,331	711,445	782,159
	1934		1935		1936	
Average value of gold unit	U.S.\$0.66		U.S.\$0.68		U.S.\$0.67	

The chief ports of entry are shown for the last three years according to volume, as follows:—

	1934	1935	1936
	Pieces	Pieces	Pieces
Tientsin . . . . .	941,133	472,796	338,031
Tsingtao (Kiaochow) . . . . .	44,328	134,066	25,543
Hankow . . . . .	289,066	989,283	202,411
Wuhu . . . . .	186,053	372,254	.....
Nanking . . . . .	618,917	638,838	800,012
Shanghai . . . . .	167,978	917,031	341,735
Kowloon . . . . .	190,801	138,698	15,950

The decline of imports during 1936 was partly because the 1935 figures included a considerable volume of material that had been ordered in the previous year, and in addition restricted financial resources somewhat hampered

purchasers. Toward the closing months of 1936, however, several important orders were negotiated, one estimate placing the total from October to December at approximately 750,000 pieces.

#### PROSPECTIVE MARKET

The lines in operation at present total roughly 10,000 kilometres (6,200 miles); those under construction, or on which construction is soon to start, about 5,100 kilometres (3,200 miles); while the length of projected lines, on which at least some survey work has been done, amounts roughly to 12,000 kilometres (7,500 miles). The total mileage which the country requires to provide an adequate internal transport system was placed by Dr. Sun Yat Sen, the founder of modern China, at 100,000 kilometres (62,000 miles). It is conservatively estimated that the annual sleeper requirements of this market for the next few years should be somewhere from three to three and one-half million pieces.

#### SOURCES OF SUPPLY

The United States, which has been the leading supplier of sleepers to China, is credited with shipments from 1913 onwards, from which year separate statistics became available.

The first recorded entries from Canada took place in 1921, when some 20,000 pieces were imported, but it is not possible to indicate what percentage of this total may have gone to Manchuria. In the following year imports from Canada jumped to over 306,000 ties. During the period of severe disturbances commencing in 1925 the Dominion's share declined to unimportant levels, but rose again sharply in 1931, when over 400,000 ties were imported.

Although, as stated above, the United States has been the leading supplier, imports from Canada showed a remarkable expansion during 1935, the record year for imports since statistics became available, and last year, although the total arrivals were less than in 1935, imports from the Dominion, as will be seen from the foregoing table, surpassed those from the United States.

In regard to the heavy imports from Canada last year, it is, however, necessary to point out that the bulk of the Douglas fir sleepers actually ordered during the latter half of 1936 was placed with American mills. This was due to the fact that as British Columbia mills were able to obtain outlets for sawn lumber at good price levels in other markets, the ruling prices for the better grade sleepers, which are the type favoured from British Columbia in this market, were considerably out of line by comparison with the "N" list sleepers which are more easily obtainable from the United States. During the past few months the business has been pretty well split between "N" list and the better grade sleepers.

#### HARDWOOD SLEEPERS

Australia, which has been exporting to this market more or less regularly since 1920, ships Jarrah wood and what are known as New South Wales mixed grade hardwood ties. While Jarrah wood is much higher in price than Douglas fir, it nevertheless enjoys a demand in certain parts of the country, particularly in South China, where hardwood ties are considered more immune from the white ant. It will be observed from the foregoing trade returns that the importation of hardwood sleepers during 1936 declined proportionately to a much greater degree than in the case of softwood ties, due, it is understood, to the much higher price of this class of sleeper.

#### OUTLOOK FOR CREOSOTED SLEEPERS

As mentioned in previous reports dealing with the general timber trade of this territory, the possibility of developing a market for Douglas fir creosoted



sleepers which would resist insects has already been investigated by various representatives of Canadian interests, and as a result an initial order was placed in 1934 by the Ministry of Railways of the Nanking Government for Canadian creosoted sleepers to be used on the Canton-Hankow Railway. It was hoped that the above initial purchase would be the forerunner of a substantial future business as the railways in China became more familiar with the advantages of creosoted ties, but up to the present no subsequent business of any account has been placed for treated sleepers. Within the past few weeks a call for tenders was issued by the Shanghai-Hanchow-Ningpo railway asking for alternative quotations on both Jarrah wood and creosoted Douglas fir ties, to be used on the projected double tracking of this line between Shanghai and Nanking. The call for tenders was limited to supplies of British Empire origin.

The prices quoted on Canadian creosoted Douglas fir ties were understood to be approximately equal to the price of Jarrah wood, but the additional cost of tie plates for Douglas fir rendered the latter non-competitive, and 180,000 Jarrah wood ties were ordered. It seems worth mentioning that the railway in question has for a number of years used only Jarrah wood sleepers, and unless creosoted ties can show a definite advantage in price and delivery it is unlikely that this line could be persuaded to change over from Jarrah.

Apart from the preference for Jarrah wood by the above-mentioned railway in Central China, broadly speaking, the disinclination on the part of Chinese railways to consider creosoted Douglas fir ties is not necessarily because Chinese railway engineers do not fully appreciate the advantages of using creosoted ties. So far the question of price has been of paramount importance. Moreover, it is now generally considered that if and when the railways of this country do seriously take to this class of sleeper, the creosote process will be carried out in China. For some years past various proposals have been put forward for the erection of creosote plants in this country, though nothing has so far materialized. It is the general consensus of opinion, however, that sooner or later a creosote plant for treating sleepers will materialize in this country.

#### SIZES OF SLEEPERS USED

With few exceptions existing lines are owned and operated by the Government. The usual specification in this market, whether for "N" list or better grade ties, calls for sleepers 6 inches by 9 inches by 8 feet. A few railways use ties 6 inches by 8 inches by 8 feet, and one line in Central China, namely the Hanchow-Kiangshan railway, has used ties of 6 inches by 6 inches by 8 feet. This was due to the fact that light rails were employed, but replacements are being made with ties of 6 inches by 8 inches by 8 feet.

In the case of Australian Jarrah wood sleepers, 5 inches by 9 inches by 8 feet is the size employed, and it is reported that efforts made to induce the Chinese railways to switch over to 4½ inches by 9 inches by 8 feet hardwood sleepers have so far met with no success as railway engineers of this country feel, from past experience, that such a size would be too light. For the same reason Chinese engineers have not been receptive to the suggestions which have been made concerning the suitability of smaller sizes of Douglas fir sleepers, such as 5 inches by 9 inches by 8 feet, or 6 inches by 6 inches by 8 feet.

#### AXLE LOADINGS

The axle loading in general use on Chinese railways is 17 tons, or roughly the equivalent of Cooper's E035 loading. It is reported that the Ministry of Railways intends to standardize eventually on 20 tons, or roughly Cooper's E-50 loading, but that so far this obtains only on a few sections. Some lines, notably the Shanghai-Nanking railway, are expected, however, to retain the 17-ton loading.

## PACKING FOR EXPORT TO SOUTH AND CENTRAL AMERICA

R. A. CAMERON, ASSISTANT TRADE COMMISSIONER

Panama City, August 24, 1937.—The tariff schedules of Panama, Venezuela, Colombia, Costa Rica, and Nicaragua provide that in the majority of cases the duty chargeable on imports be computed according to the gross weight of the article imported—that is to say upon the weight of the article itself together with its immediate container, the packing, and such crates or boxes as may contain the whole.

It is advisable therefore for exporters to these countries to use containers and packing which are as light in weight as may be consistent with safety. It may be pointed out that in instances where various articles dutiable at different rates are packed in one case the rate of duty which is charged on the tare will usually be the rate which is chargeable on the article occupying the most space in the packing case.

Business being offered in these markets is highly competitive, and any small saving which importers may accomplish in the matter of duties or freights may be the deciding factor in placing an order. Indifference on the part of the exporter regarding savings which may be effected in this way lessen opportunities of obtaining repeat business.

## TRADE OF COLOMBIA IN 1936

R. A. CAMERON, ASSISTANT TRADE COMMISSIONER

(One Colombian peso equals \$0.97 Canadian at par and \$0.57 at current exchange)

Panama City, August 22, 1937.—During 1936 the volume and value of Colombia's foreign trade registered appreciable gains. Imports totalled 370,211,000 kilos valued at 120,132,000 pesos as compared with 1935 imports amounting to 270,401,000 kilos valued at 106,854,000 pesos. Exports during 1936 amounted to 2,772,810,000 kilos valued at 136,844,000 pesos as compared with 2,676,968,000 kilos valued at 123,601,000 pesos in 1935.

### IMPORTS

Colombia's imports from the United States during 1936 were valued at 49,585,000 pesos as compared with 44,429,000 pesos in 1935. Imports from Germany were valued at 27,772,000 pesos as compared with 20,007,000 pesos. The United Kingdom ranked third as a supplier of Colombia's requirements, the value of imports from that source amounting to 22,599,000 pesos as compared with 17,879,000 pesos in 1935. Purchases from Canada, although relatively small, increased from 575,000 pesos in 1935 to 772,000 pesos in 1936.

### NOTES ON IMPORT COMMODITIES

The following is a list of the principal commodities imported by Colombia in 1936, showing the total value of each together with the values of the imports from the leading supplying countries:—

#### *Agricultural Products and Foodstuffs*

*Fresh Fruits.*—Total, 54,752 pesos: United States, 39,371 pesos; Spain, 10,540 pesos; Venezuela, 1,795 pesos; France, 1,182 pesos.

*Tea.*—Total, 59,965 pesos: India, 26,001 pesos; Ceylon, 10,884 pesos; United Kingdom, 7,318 pesos; United States, 5,281 pesos; Canada, 1,136 pesos.



*Rolled Oats.*—Total, 215,960 pesos: United States, 161,012 pesos; Chile, 43,703 pesos; Canada, 8,567 pesos.

*Wheat.*—Total, 1,109,679 pesos: Canada, 980,219 pesos; Argentina, 68,888 pesos; United States, 54,249 pesos.

*Wheat Flour.*—Total, 95,331 pesos: United States, 47,568 pesos; Panama, 45,044 pesos.

*Fish, Preserved.*—Total, 207,636 pesos: United States, 84,785 pesos; Spain, 50,653 pesos; Canada, 38,162 pesos; Norway, 9,182 pesos.

*Shellfish, Preserved.*—Total, 23,031 pesos: United States, 19,768 pesos; United Kingdom, 1,360 pesos; Canada, 717 pesos.

*Refined Sugar.*—Total, 1,235,021 pesos: Cuba, 857,596 pesos; United States, 371,961 pesos; Panama, 3,648 pesos.

*Milk, Preserved.*—Total, 215,911 pesos: United States, 139,604 pesos; Canada, 37,905 pesos; Switzerland, 26,055 pesos; Netherlands, 8,757 pesos.

*Milk in Prepared Foods.*—Total, 85,951 pesos: United States, 67,486 pesos; Switzerland, 12,871 pesos; Netherlands, 3,895 pesos; Canada, 1,189 pesos.

*Yeast.*—Total, 183,596 pesos: United States, 175,977 pesos; Germany, 3,357 pesos.

*Tobacco Leaf.*—Total, 231,399 pesos: United States, 159,151 pesos; Greece, 63,505 pesos; Turkey, 4,494 pesos.

*Hog Lard.*—Total, 165,452 pesos: United States, 109,258 pesos; Netherlands, 35,399 pesos; China, 17,236 pesos.

*Lumber, Rough.*—Total, 28,972 pesos: United States, 28,943 pesos.

*Lumber, Dressed.*—Total, 26,563 pesos: United States, 15,716 pesos; Sweden, 7,249 pesos.

### *Mineral Products*

*Asbestos.*—Total, 9,275 pesos: United States, 6,613 pesos; United Kingdom, 2,317 pesos; Canada, 229 pesos.

*Asbestos Manufactures.*—Total, 102,400 pesos: United States, 84,607 pesos; Germany, 9,066 pesos; United Kingdom, 5,468 pesos; Canada, 1,434 pesos.

*Asphalt.*—Total, 22,966 pesos: United States, 21,959 pesos; Canada, 550 pesos.

### *Chemicals and Pharmaceutical Products*

*Essences for Aerated Waters.*—Total, 120,747 pesos: United States, 53,153 pesos; United Kingdom, 36,851 pesos; Germany, 13,125 pesos; Netherlands, 11,796 pesos; France, 4,112 pesos.

*Paraffin.*—Total, 1,133,170 pesos: India, 601,011 pesos; United States, 464,738 pesos; United Kingdom, 55,071 pesos.

*Acetic Acid.*—Total, 7,222 pesos: Germany, 3,955 pesos; United Kingdom, 1,844 pesos; Canada, 1,335 pesos.

*Hydrogen Peroxide.*—Total, 114,244 pesos: United States, 106,346 pesos; Germany, 7,283 pesos.

*Caustic Soda.*—Total, 209,883 pesos: United Kingdom, 137,695 pesos; United States, 55,355 pesos; Germany, 16,779 pesos.

*Calcium Carbide.*—Total, 26,246 pesos: United States, 18,479 pesos; Canada, 7,424 pesos.

*Insecticides and Fungicides.*—Total, 354,517 pesos: United States, 209,442 pesos; United Kingdom, 77,124 pesos; Germany, 65,576 pesos.

*Pharmaceutical Specialties (Dry Forms).*—Total, 1,197,764 pesos: Germany, 423,200 pesos; United States, 393,015 pesos; France, 301,550 pesos; United Kingdom, 56,156 pesos.

*Pharmaceutical Specialties (Liquid).*—Total, 415,151 pesos: United States, 226,047 pesos; France, 120,246 pesos; Germany, 55,552 pesos.

*Pharmaceutical Products (Various).*—Total, 457,932 pesos: Germany, 273,520 pesos; United States, 112,306 pesos; France, 36,828 pesos; United Kingdom, 32,239 pesos.

### *Leather, Furs, and Products Thereof*

*Tanned Leathers (Soft).*—Total, 322,109 pesos: United States, 158,364 pesos; Germany, 139,013 pesos; Netherlands, 7,489 pesos; United Kingdom, 3,341 pesos.

*Calf Leather.*—Total, 470,128 pesos: Germany, 242,039 pesos; United States, 208,849 pesos.

*Furs for Adornment.*—Total, 68,382 pesos: France, 34,591 pesos; United Kingdom, 14,346 pesos; United States, 6,076 pesos; Canada, 3,226 pesos.

*Leather Power Belts.*—Total, 90,012 pesos: United States, 59,435 pesos; United Kingdom, 13,197 pesos.

### Metals and Metal Products

*Other Iron and Steel Manufactures.*—Total, 375,594 pesos: United States, 167,482 pesos; Germany, 147,143 pesos; Czechoslovakia, 22,481 pesos; United Kingdom, 21,887 pesos; Canada, 202 pesos.

*Iron and Steel, Nickeled or Coppered.*—Total, 94,730 pesos: Germany, 51,980 pesos; United States, 34,011 pesos.

*Miscellaneous Brass and Copper Articles.*—Total, 100,648 pesos: Germany, 51,648 pesos; United States, 28,180 pesos; United Kingdom, 15,098 pesos; Canada, 181 pesos.

*Brass, Copper, and Bronze Articles (Nikkeled).*—Total, 148,494 pesos: Germany, 107,524 pesos; United States, 31,602 pesos; France, 2,966 pesos; United Kingdom, 577 pesos.

*Aluminium Articles, Miscellaneous.*—Total, 45,390 pesos: Germany, 24,477 pesos; United States, 13,318 pesos.

*Brass and Copper Piping.*—Total, 33,144 pesos: United States, 29,693 pesos; Germany, 1,854 pesos; Canada, 830 pesos.

*Valves and Stoppers for Brass and Copper Piping.*—Total, 106,461 pesos: United States, 55,771 pesos; Germany, 45,811 pesos; United Kingdom, 4,878 pesos.

*Iron and Steel Parts for Furniture, Carriages, etc.*—Total, 371,997 pesos: Germany, 255,236 pesos; United States, 80,258 pesos; Sweden, 22,091 pesos; United Kingdom, 7,457 pesos; France, 2,545 pesos.

*Needles for Knitting Machines.*—Total, 20,852 pesos: United States, 9,332 pesos; Germany, 8,408 pesos; Canada, 2,656 pesos.

*Pins and Hairpins.*—Total, 29,491 pesos: Germany, 19,483 pesos; United States, 4,164 pesos; France, 3,600 pesos; Canada, 116 pesos.

*Bathtubs and Other Sanitary Articles of Iron and Steel.*—Total, 290,682 pesos: Germany, 155,747 pesos; United States, 63,237 pesos; United Kingdom, 41,917 pesos.

*Iron and Steel Cables.*—Total, 137,627 pesos: United States, 82,940 pesos; Germany, 37,210 pesos; United Kingdom, 14,584 pesos.

*Iron and Steel Chains.*—Total, 31,597 pesos: United States, 21,268 pesos; Germany, 6,875 pesos; United Kingdom, 2,099 pesos; Canada, 204 pesos.

*Iron and Steel Cutlery (Folding Knives, Penknives, and Razors).*—Total, 204,247 pesos: Germany, 194,314 pesos; United States, 9,257 pesos; United Kingdom, 321 pesos; Canada, 118 pesos.

*Razor Blades (Safety).*—Total, 68,707 pesos: United States, 36,934 pesos; Germany, 30,368 pesos; Canada, 1,055 pesos; United Kingdom, 156 pesos.

*Iron and Steel Structures.*—Total, 126,548 pesos: United States, 79,659 pesos; Germany, 15,489 pesos; United Kingdom, 13,156 pesos; Canada, 1,424 pesos.

*Iron and Steel Bridges and Railings.*—Total, 215,627 pesos: United States, 152,020 pesos; Germany, 58,547 pesos.

*Iron and Steel Piping (Less than 5 Cms.).*—Total, 563,651 pesos: Germany, 247,663 pesos; United States, 227,601 pesos; United Kingdom, 71,514 pesos; Canada, 239 pesos.

*Iron and Steel Piping (More than 5 Cms.).*—Total, 1,588,598 pesos: United Kingdom, 590,848 pesos; United States, 570,816 pesos; Germany, 406,348 pesos; Canada, 7,692 pesos.

*Fittings and Valves (for Iron and Steel Piping).*—Total, 87,596 pesos: United States, 65,898 pesos; Germany, 12,200 pesos; Canada, 5,924 pesos.

*Couplings and Fittings.*—Total, 227,939 pesos: United States, 143,525 pesos; United Kingdom, 50,035 pesos; Germany, 13,273 pesos; Canada, 3,256 pesos.

*Iron in Sheets (Galvanized).*—Total, 1,342,042 pesos: United States, 752,808 pesos; Germany, 282,434 pesos; Belgium and Luxemburg, 236,394 pesos; United Kingdom, 31,760 pesos; Poland, 31,428 pesos.

*Iron and Steel Sheets,  $\frac{1}{16}$  to  $\frac{1}{4}$  Inch Thick.*—Total, 371,207 pesos: United States, 217,041 pesos; Germany, 147,271 pesos; United Kingdom, 1,393 pesos.

*Steel Wire for Nails.*—Total, 165,250 pesos: United States, 115,087 pesos; Germany, 50,147 pesos.

*Copper in Sheets, Rods, etc.*—Total, 145,979 pesos: Germany, 115,602 pesos; United Kingdom, 12,277 pesos; Belgium and Luxemburg, 11,227 pesos; United States, 6,438 pesos; Canada, 347 pesos.

*Aluminium and Alloys in Sheets (more than  $\frac{1}{16}$  mm. thick).*—Total, 49,828 pesos: Germany, 34,512 pesos; Switzerland, 13,816 pesos; Canada, 10,967 pesos.

*Aluminium in Sheets (less than  $\frac{1}{16}$  mm. thick).*—Total, 46,897 pesos: Germany, 38,726 pesos; United States, 4,973 pesos; Switzerland, 2,204 pesos; Canada, 420 pesos.

*Lead and Alloys in Pigs.*—Total, 15,292 pesos: United States, 8,853 pesos; Canada, 1,713 pesos; United Kingdom, 685 pesos.



*Lead and Alloys in Bars.*—Total, 41,543 pesos: United States, 17,401 pesos; Germany, 8,085 pesos; United Kingdom, 8,983 pesos; Canada, 1,600 pesos.

*Lead, Soldering.*—Total, 8,383 pesos: United States, 5,005 pesos; United Kingdom, 3,066 pesos; Canada, 205 pesos.

*Tin and Alloys.*—Total, 43,056 pesos: Germany, 15,154 pesos; Netherlands, 13,729 pesos; Canada, 7,203 pesos; United States, 3,815 pesos; United Kingdom, 3,155 pesos.

*Iron and Steel in Bars and Sheets.*—Total, 736,122 pesos: Belgium and Luxemburg, 26,766 pesos; United States, 234,844 pesos; Germany, 129,110 pesos; Poland, 30,440 pesos; United Kingdom, 5,110 pesos.

### *Paper and Paper Products*

*Wrapping Paper (One Colour).*—Total, 752,293 pesos: United States, 237,356 pesos; Germany, 121,753 pesos; Sweden, 77,956 pesos; Finland, 76,457 pesos; Norway, 14,028 pesos.

*Printing Paper (One Colour).*—Total, 428,611 pesos: Germany, 272,601 pesos; United States, 37,233 pesos; Norway, 30,819 pesos; Sweden, 30,395 pesos; Canada, 28,340 pesos; Finland, 24,188 pesos.

*Paper (One Colour, Coated).*—Total, 401,305 pesos: Germany, 249,208 pesos; United States, 68,209 pesos; Norway, 26,565 pesos; Sweden, 20,544 pesos.

*Paper (Writing and Drafting).*—Total, 205,450 pesos: Germany, 102,066 pesos; United States, 46,826 pesos; Finland, 18,209 pesos; Norway, 13,079 pesos; United Kingdom, 10,347 pesos.

*Bristol Board.*—Total, 70,769 pesos: Germany, 46,842 pesos; United States, 9,431 pesos; Netherlands, 3,254 pesos; Sweden, 4,929 pesos.

*Carbon Paper.*—Total, 45,338 pesos: United States, 23,120 pesos; Germany, 19,248 pesos; United Kingdom, 1,193 pesos; Canada, 950 pesos.

*Letter Paper (Cut to Size).*—Total, 9,293 pesos: United States, 4,350 pesos; Germany, 3,594 pesos; Canada, 77 pesos.

*Paper in Rolls for Office Machines.*—Total, 42,231 pesos: United States, 24,046 pesos; United Kingdom, 16,297 pesos.

*Paper Bags.*—Total, 103,884 pesos: Germany, 79,731 pesos; Sweden, 12,190 pesos; United States, 8,290 pesos; United Kingdom, 3,043 pesos.

*Blank Books (Writing).*—Total, 64,406 pesos: Germany, 42,924 pesos; United States, 15,523 pesos; United Kingdom, 4,904 pesos; Canada, 612 pesos.

*Napkins and Towels (Paper).*—Total, 44,865 pesos: United States, 40,964 pesos; Germany, 3,195 pesos; Canada, 115 pesos.

### *Wines and Spirits*

*Gin.*—Total, 14,119 pesos: United Kingdom, 12,815 pesos; Dutch Indies, 666 pesos; Canada, 504 pesos.

*Whisky.*—Total, 691,647 pesos: United Kingdom, 685,788 pesos; Canada, 1,514 pesos; United States, 1,298 pesos.

### *Miscellaneous Manufactured Products*

*Cigarettes.*—Total, 358,938 pesos: United States, 350,759 pesos; United Kingdom, 3,895 pesos; Brazil, 2,085 pesos.

*Tooth Paste and Powder.*—Total, 170,115 pesos: United States, 160,050 pesos; Germany, 4,545 pesos.

*Soap (Common).*—Total, 54,475 pesos: United States, 49,460 pesos; France, 1,742 pesos; Germany, 1,625 pesos; Canada, 338 pesos.

*Soap (Perfumed).*—Total, 45,605 pesos: United States, 25,514 pesos; United Kingdom, 8,108 pesos; Germany, 6,496 pesos; France, 4,728 pesos.

*Brushes of All Kinds.*—Total, 85,749 pesos: United States, 36,955 pesos; Germany, 35,601 pesos; Canada, 3,617 pesos.

*Brushes (Adorned).*—Total, 28,589 pesos: Germany, 19,797 pesos; United States, 5,613 pesos; Canada, 496 pesos.

### *Textiles*

*Cotton Thread (Sewing).*—Total, 1,652,921 pesos: United Kingdom, 1,230,696 pesos; Germany, 166,862 pesos; France, 165,863 pesos; United States, 58,275 pesos.

*Grey Cotton Goods.*—Total, 255,055 pesos: United States, 238,099 pesos; United Kingdom, 10,568 pesos; Canada, 5,740 pesos.

*Unbleached Cotton Fabric.*—Total, 748,509 pesos: United States, 633,071 pesos; United Kingdom, 84,620 pesos; China, 13,274 pesos.

*Bleached Cotton Fabrics.*—Total, 1,395,731 pesos: United Kingdom, 1,208,098 pesos; United States, 167,360 pesos; Canada, 463 pesos.

*Oilcloth.*—Total, 76,914 pesos: United States, 65,241 pesos; Germany, 8,146 pesos; Canada, 1,626 pesos.

*Silk Socks and Stockings.*—Total, 383,006 pesos: United States, 349,036 pesos; Germany, 27,902 pesos; Spain, 1,424 pesos; Canada, 435 pesos.

*Women's and Children's Silk Dresses.*—Total, 61,097 pesos: United States, 52,502 pesos; Germany, 5,787 pesos.

*Cotton Underwear.*—Total, 183,200 pesos: United States, 123,704 pesos; Austria, 19,193 pesos; Czechoslovakia, 15,259 pesos; Canada, 579 pesos.

### *Rubber Products*

*Rubber Power Belts.*—Total, 76,081 pesos: United States, 53,884 pesos; Germany, 14,749 pesos; Canada, 3,004 pesos.

*Rubber Manufactures (Technical Arts).*—Total, 51,855 pesos: United States, 41,403 pesos; Germany, 5,439 pesos; United Kingdom, 3,126 pesos; Canada, 1,272 pesos.

*Rubber Hose.*—Total, 113,922 pesos: United States, 86,005 pesos; Germany, 13,478 pesos; United Kingdom, 11,183 pesos; Canada, 3,158 pesos.

*Automobile Tires (Rubber).*—Total, 1,606,089 pesos: United States, 1,386,753 pesos; Canada, 215,595 pesos; United Kingdom, 42,811 pesos; Germany, 36,056 pesos.

### *Tools, Machinery, and Motors*

*Springs, Wheels, etc., for Automobiles.*—Total, 506,287 pesos: United States, 375,186 pesos; United Kingdom, 29,128 pesos; Germany, 28,587 pesos; Switzerland, 25,316 pesos; Canada, 839 pesos.

*Motor Cycles and Bicycles and Accessories.*—Total, 44,995 pesos: United States, 20,351 pesos; Germany, 14,240 pesos; United Kingdom, 7,295 pesos; Canada, 1,578 pesos.

*Springs for Carts.*—Total, 73,335 pesos: United States, 59,754 pesos; Germany, 9,464 pesos; Canada, 1,802 pesos.

*Automobiles (less than \$1,000).*—Total, 2,784,451 pesos: United States, 2,679,705 pesos; Germany, 23,695 pesos; Canada, 3,312 pesos.

*Automobiles Costing from \$1,000 to \$2,000.*—Total, 300,365 pesos: United States, 289,125 pesos.

*Trucks.*—Total, 1,344,569 pesos: United States, 1,246,486 pesos; Germany, 58,517 pesos; Canada, 37,847 pesos.

*Auto Chassis.*—Total, 733,672 pesos: United States, 722,826 pesos; Germany, 8,733 pesos.

*Tractor Accessories.*—Total, 230,444 pesos: United States, 225,925 pesos; United Kingdom, 2,819 pesos.

*Accessories for Reapers.*—Total, 24,087 pesos: United States 20,608 pesos; Canada, 2,789 pesos.

*Agricultural Machinery.*—Total, 136,140 pesos: United States, 71,683 pesos; Germany, 45,936 pesos; United Kingdom, 6,158 pesos; Canada, 5,943 pesos.

*Accessories for Agricultural Machinery.*—Total, 10,936 pesos: United States, 9,837 pesos; Canada, 106 pesos.

*Machinery for Handling Sugar Cane.*—Total, 124,258 pesos: United States, 81,140 pesos; United Kingdom, 31,463 pesos; Germany, 2,588 pesos.

*Typewriters.*—Total, 473,955 pesos: United States, 314,733 pesos; Germany, 138,055 pesos; United Kingdom, 11,165 pesos.

*Machinery and Accessories not Specified.*—Total, 1,953,695 pesos: United States, 1,243,548 pesos; United Kingdom, 191,292 pesos; Italy, 16,455 pesos; Canada, 4,232 pesos.

*Gas and Water Meters.*—Total, 101,433 pesos: United States, 63,658 pesos; Germany, 37,143 pesos; Canada, 84 pesos.

*Gasoline Motors.*—Total, 275,414 pesos: United States, 158,238 pesos; Germany, 64,006 pesos; Sweden, 41,761 pesos; United Kingdom, 9,882 pesos.

*Accessories for Internal Combustion Motors.*—Total, 432,346 pesos: United States, 334,543 pesos; Germany, 53,149 pesos; Sweden, 20,095 pesos; United Kingdom, 11,787 pesos; Canada, 855 pesos.

*Elevators.*—Total, 60,171 pesos: United States, 51,356 pesos; Germany, 2,755 pesos; Canada, 1,230 pesos.

*Machinery for Petroleum Refineries.*—Total, 350,906 pesos: United States, 312,895 pesos; Canada, 37,675 pesos.



*Mechanical Pumps.*—Total, 200,168 pesos: United States, 168,409 pesos; Germany, 24,237 pesos; United Kingdom, 5,521 pesos; Canada, 134 pesos.

*Mining Machinery not Specified.*—Total, 401,973 pesos: United Kingdom, 195,942 pesos; United States, 191,032 pesos; Germany, 14,750 pesos.

*Weaving Machinery and Accessories.*—Total, 659,320 pesos: United States, 297,479 pesos; United Kingdom, 124,485 pesos; Germany, 106,589 pesos; France, 85,239 pesos; Canada, 241 pesos.

*Sewing Machines.*—Total, 869,552 pesos: United States, 597,908 pesos; Germany, 280,987 pesos; United Kingdom, 8,298 pesos.

*Sewing Machine Accessories.*—Total, 108,228 pesos: United States, 97,633 pesos; Germany, 9,318 pesos; Canada, 695 pesos; United Kingdom, 341 pesos.

*Ploughs and Shares.*—Total, 65,199 pesos: United States, 54,472 pesos; Germany, 7,998 pesos; Canada, 1,549 pesos.

*Ploughs—Accessories.*—Total, 80,913 pesos: United States, 55,624 pesos; Germany, 15,420 pesos; Canada, 4,303 pesos; United Kingdom, 1,970 pesos.

*Agricultural Implements.*—Total, 153,684 pesos: United States, 68,606 pesos; United Kingdom, 61,643 pesos; Germany, 21,801 pesos; Canada, 835 pesos.

*Picks, Spades, Shovels, etc.*—Total, 320,064 pesos: United Kingdom, 161,231 pesos; Germany, 98,207 pesos; United States, 56,983 pesos; Canada, 2,633 pesos.

*Axes, Machetes, etc.*—Total, 654,850 pesos: Germany, 421,025 pesos; United States, 211,245 pesos; United Kingdom, 18,080 pesos.

### *Wire and Wire Netting*

*Copper and Brass Wire Netting.*—Total, 34,387 pesos: United States, 14,900 pesos; Germany, 13,431 pesos; Canada, 5,232 pesos.

*Copper Wire.*—Total, 236,986 pesos: United States, 145,109 pesos; Germany, 31,772 pesos; Sweden, 36,396 pesos; Canada, 18,206 pesos.

*Insulated Copper Wire.*—Total, 331,589 pesos: United States, 161,358 pesos; Germany, 153,489 pesos; Canada, 4,479 pesos.

*Copper Cables.*—Total, 56,494 pesos: United States, 34,034 pesos; Germany, 20,798 pesos; United Kingdom, 867 pesos; Canada, 573 pesos.

*Insulated Cables.*—Total, 90,821 pesos: Germany, 50,169 pesos; United States, 34,873 pesos; Canada, 4,173 pesos.

*Galvanized Wire.*—Total, 354,173 pesos: Germany, 204,519 pesos; United States, 136,932 pesos; Poland, 6,464 pesos; United Kingdom, 2,364 pesos; Canada, 402 pesos.

*Barbed Wire (Fencing).*—Total, 897,059 pesos: Germany, 522,385 pesos; United States, 278,445 pesos; Belgium and Luxemburg, 92,623 pesos.

*Wire Netting (less than 3 mm. mesh).*—Total, 38,021 pesos: Germany, 23,559 pesos; United States, 12,395 pesos; United Kingdom, 985 pesos; Canada, 774 pesos.

### *Electrical Goods*

*Electric Refrigerators.*—Total, 512,042 pesos: United States, 507,365 pesos; United Kingdom, 2,643 pesos; Germany, 1,318 pesos.

*Electrical Materials of More than 200 Grams.*—Total, 448,251 pesos: United States, 344,391 pesos; Germany, 57,976 pesos; Switzerland, 33,386 pesos; United Kingdom, 4,087 pesos; Canada, 3,164 pesos.

*Electric Material not Specified.*—Total, 227,552 pesos: United States, 169,091 pesos; Germany, 25,129 pesos; United Kingdom, 13,851 pesos; Canada, 1,753 pesos.

*Electric Generators.*—Total, 129,000 pesos: United States, 68,685 pesos; Sweden, 37,124 pesos; Germany, 22,274 pesos.

*Electrical Transformers.*—Total, 346,867 pesos: United States, 197,231 pesos; Switzerland, 57,186 pesos; Germany, 38,060 pesos; Sweden, 27,592 pesos; United Kingdom, 25,000 pesos.

*Electric Motors.*—Total, 317,052 pesos: United States, 215,565 pesos; Sweden, 53,534 pesos; Germany, 30,421 pesos; United Kingdom, 8,165 pesos.

*Radio Receiving Apparatus.*—Total, 1,046,428 pesos: United States, 863,385 pesos; Netherlands, 148,518 pesos; Germany, 30,986 pesos; United Kingdom, 2,909 pesos.

*Receiving and Transmitting Radio Apparatus.*—Total, 104,733 pesos: United States, 96,008 pesos; Canada, 4,343 pesos; Germany, 3,277 pesos.

*Spare Parts and Accessories for Radio Apparatus.*—Total, 184,349 pesos: United States, 166,606 pesos; Germany, 10,037 pesos; Netherlands, 7,197 pesos.

*Telegraphic Apparatus and Accessories.*—Total, 34,082 pesos: United States, 13,858 pesos; United Kingdom, 13,814 pesos; Canada, 298 pesos.

*Telephone Apparatus and Accessories.*—Total, 308,750 pesos: Sweden, 173,121 pesos; United States, 96,118 pesos; Germany, 29,929 pesos; United Kingdom, 1,486 pesos; Canada, 130 pesos.

### *Paints, Varnishes, and Oils*

*Lubricating Grease.*—Total, 82,675 pesos: United States, 60,346 pesos; Canada, 19,107 pesos; United Kingdom, 1,979 pesos.

*Lubricating Oils.*—Total, 526,143 pesos: United States, 468,154 pesos; Dutch Indies, 30,719 pesos; Germany, 17,750 pesos; United Kingdom, 4,726 pesos.

*Colours in Tubes or Cakes.*—Total, 274,738 pesos: United States, 219,029 pesos; Germany, 28,911 pesos; United Kingdom, 14,559 pesos; Canada, 6,278 pesos.

*Varnishes, All Classes.*—Total, 108,994 pesos: United States, 84,276 pesos; Germany, 22,104 pesos; United Kingdom, 1,977 pesos.

### EXPORTS

The United States continued to be Colombia's best customer in 1936, purchasing merchandise valued at 74,320,000 pesos as compared with 74,703,000 pesos in 1935. In addition, gold exported to the United States in 1936 was valued at 20,788,000 pesos as compared with 19,186,000 pesos in 1935. Germany ranked second as a purchaser of Colombia's products, exports to that country being valued at 22,679,000 pesos in 1936 as compared with 14,704,000 pesos in 1935. Exports to Canada were valued at 8,023,000 pesos in 1936 as compared with 7,225,000 pesos in 1935.

### NOTES ON EXPORT COMMODITIES

The following is a list of Colombia's chief exports during 1936, showing the total values of the commodities exported together with the values of these commodities exported to the principal purchasing countries:—

*Bananas.*—Total, 8,206,675 pesos: United States, 3,533,304 pesos; Germany, 2,120,066 pesos; United Kingdom, 1,319,700 pesos; Netherlands, 1,115,051 pesos.

*Coffee.*—Total, 91,968,299 pesos: United States, 66,874,337 pesos; Germany, 19,420,141 pesos; Canada, 1,246,076 pesos; France, 979,636 pesos; Netherlands, 967,824 pesos; Sweden, 636,649 pesos; United Kingdom, 137,671 pesos.

*Leaf Tobacco.*—Total, 245,808 pesos: Germany, 151,910 pesos; France, 33,593 pesos; United States, 27,513 pesos.

*Cattle Hides.*—Total, 3,499,079 pesos: Belgium and Luxemburg, 1,053,876 pesos; Germany, 714,145 pesos; United States, 529,033 pesos; Netherlands, 515,455 pesos; United Kingdom, 343,817 pesos.

*Goats and Sheep Hides.*—Total, 185,237 pesos: United States, 109,229 pesos; Germany, 4,133 pesos.

*Balata.*—Total, 18,075 pesos: United States, 9,500 pesos; Brazil, 8,575 pesos.

*Rubber.*—Total, 47,938 pesos: United States, 19,027 pesos; Canal Zone, 10,991 pesos; Germany, 8,224 pesos.

*Petroleum.*—Total, 28,268,673 pesos: Dutch West Indies, 14,834,518 pesos; Canada, 6,776,330 pesos; France, 5,173,097 pesos; Italy, 776,676 pesos; Germany, 117,187 pesos.

*Gold.*—Total, 20,787,792 pesos: United States, 20,787,792 pesos.

### ASSISTANCE THAT CAN BE GIVEN BY CANADIAN TRADE COMMISSIONERS

Many manufacturers and exporters are apparently not fully advised as to the valuable services that can be rendered by Canadian Trade Commissioners. The following is therefore issued with a view to rendering the activities of Canadian Trade Commissioners of greater benefit to manufacturers and exporters generally.

#### COMMERCIAL INFORMATION

1. Up-to-date information is available to manufacturers and exporters through the *Commercial Intelligence Journal* or by direct correspondence with the Department or any of the Canadian Trade Commissioners as to:—



- (a) The present and prospective demand for their goods.
- (b) Foreign and local competition (with specimens, catalogues and prices).
- (c) Details of best selling methods.
- (d) Reports on foreign buyers, though the Department cannot assume any responsibility in any opinions expressed by Trade Commissioners. They, however, will use their best endeavours to advise exporters as to the standing of such firms.
- (e) Specifications of articles in particular demand.
- (f) Inquiries for goods, and by means of an efficient system for collecting such inquiries the names can be obtained from time to time from the Commercial Intelligence Service of the Department at Ottawa.

#### AGENTS, BUYERS, AND DISTRIBUTORS

##### 2. Trade Commissioners will also:—

- (a) Recommend to intending Canadian exporters the names of responsible parties in a position to act as agents or buyers and distributors.
- (b) Give every possible assistance to such agents, etc., and will introduce them to influential individuals or associations who may be in a position to buy goods from Canada.
- (c) Give confidential information, when so requested, as to the activities of agents appointed by Canadian exporters, or firms to whom sales have been, or are being, made.

##### 3. Trade Commissioners can assist in advising Canadian exporters and manufacturers:—

- (a) As to the best media in which to place advertisements and the form which such advertisements should take, i.e., their adaptation to the special requirements of the community.
- (b) In the display of catalogues, price lists, and samples where they can be seen by potential buyers.
- (c) As to the distribution of trade literature and its probable cost.

##### 4. (a) Trade Commissioners will always be glad to receive visitors from Canada and introduce them to possible buyers or agents, or put them in touch with legal advisers, interpreters, and shipping and banking representatives.

- (b) The good offices of Trade Commissioners can always be invoked with a view to settling difficulties which may arise between the Canadian exporters and buyers abroad.

- (c) Trade Commissioners will at any time provide such information as may be available as to freight rates, customs, port dues, etc., so as to enable Canadian firms to quote prices for delivery overseas. They will be glad also to provide information respecting cost of travel, regulations applicable to commercial travellers, packing, and marking of goods, shipping accommodation, storage arrangements, and any other foreign government regulations or conditions which have to be complied with.

#### FINANCIAL ARRANGEMENTS

##### 5. Particulars can be obtained with regard to:—

- (a) Terms of credit which may be given to foreign buyers.
- (b) Financial houses and banks who will discount bills or give credit.
- (c) Regulations governing the recovery of debts in foreign countries.
- (d) Disposal of goods abroad contracted for but not accepted by foreign buyers.
- (e) Infringement of trade-marks or patent rights; and advice on registration.

## INFORMATION NECESSARY TO THE TRADE COMMISSIONER

When a Canadian exporter desires the assistance of a Trade Commissioner in marketing his goods abroad, he should with the first letter provide that officer with the following:—

- (a) Catalogues and best export prices c.i.f. port of entry, or failing that, f.o.b. Canadian port. It is quite useless to send prices f.o.b. factory.
- (b) Details regarding process of manufacture if convenient.
- (c) If not too bulky, samples of what the firms have to offer should be forwarded—not necessarily a full range—and a draft or money order sufficient to cover the customs duties and landing charges on the samples.
- (d) Bankers' references.
- (e) The proportion of output which is available for export, time required to ship from receipt of order, and the quantity for which orders will be accepted.
- (f) Details of the experience he has had in the territory served by the Trade Commissioner.
- (g) Information regarding previous connections, if any, which he had either with agents or importers. If connections still exist, what, if any, bearing will they have on fresh contacts that may be established through the efforts of the Trade Commissioner.

The Trade Commissioner will thus be in a position to make a survey of his territory, report the opportunities for the lines to be exported, and can then either place the exporter in communication with reliable importers or recommend suitable agents.

## TARIFF CHANGES AND CUSTOMS REGULATIONS

## United Kingdom

## CARD MARKING ORDER

Referring to the announcement in *Commercial Intelligence Journal* No. 1744 (July 3, 1937), the Chief Canadian Trade Commissioner in London writes that Merchandise Marks (Imported Goods) No. 1 Order, 1937, to come into force on January 29, 1938, states that it shall not be lawful to import into the United Kingdom or, if imported, to sell or expose for sale in the United Kingdom, "picture or greeting postcards, whether imported singly or in sheets or reels," unless they bear an indication of origin.

The indication of origin must be printed or stamped on the address side of each postcard. Where any goods to which the order applies are sold or exposed for sale in an envelope, wrapper, or other container which bears wording descriptive of its contents, an indication of origin shall also be printed or stamped on such container.

## TARIFF CHANGES

The Chief Canadian Trade Commissioner in London reports the following alterations in the United Kingdom customs tariff, effective as from August 20, 1937:—

*Raffia*, not further processed after stripping and drying, formerly dutiable at 10 per cent ad valorem when of non-Empire origin, is made duty-free.

*Diatomaceous earth*, described as "raw, as quarried," is removed from the free list of the Import Duties Act, 1932, and in substitution thereof the exemption from duties will henceforth apply to "diatomaceous earth not bagged or otherwise packed, containing not less than 35 per cent of moisture."



*Wool Felt Hoods.*—On hats, caps, bonnets, hoods, hat shapes, brims, crowns, and similar articles made wholly or partly of felt, hitherto dutiable at ad valorem rates of 25 and 30 per cent, depending on their state of manufacture, an alternative minimum specific duty of 3s. per dozen is to be levied. This alteration, while applying to all of the articles mentioned above, is expected to operate to the greatest extent against wool felt hoods and hat shapes.

The above changes have been made following recommendations of the Import Duties Advisory Committee. They are issued, respectively, as Import Duties (Exemptions) Orders No. 10 and 11, and Additional Import Duties (No. 8) Order. Providing such products of Canadian origin can qualify for preferential treatment, they will not be subject to these duties.

### **Irish Free State**

#### **DUTY ON LAMINATED GLASS**

Mr. James Cormack, Canadian Trade Commissioner in Dublin, advises that, by order of the Executive Council, a new customs duty at a flat rate of 33½ per cent ad valorem has been imposed on all imports of laminated glass or articles made wholly or mainly thereof imported into the Saorstat on and after August 18, 1937.

Formerly this commodity entered the Free State free of duty. The present order is designed to afford a measure of protection to this product, which is shortly to be produced locally. In the meantime provision is made whereby imports can be made under licence free of duty.

#### **IMPORT QUOTA ON FOOTWEAR**

Mr. James Cormack, Canadian Trade Commissioner in Dublin, advises that, by order of the Executive Council, the import quota on leather boots and shoes entering the Irish Free State for the period October 1, 1937, to March 31, 1938, has been fixed at 400,000 articles as against 882,750 articles for the corresponding period last year.

For the same period the import quota on certain heeled rubber boots and shoes has been fixed at 5,000 articles, and on certain other rubber boots and shoes at 100,000 articles, as compared with 10,000 and 150,000 articles respectively for the previous six-month period.

### **Australia**

#### **TARIFF CHANGES**

Mr. L. M. Cosgrave, Canadian Trade Commissioner at Sydney, Australia, cables that the Australian tariff on iron and steel plate and sheet, plain (Item 136D), effective between September 8, 1937, and August 31, 1938, both dates inclusive, will be: British preferential tariff, 10 per cent ad valorem (maximum 28s. per ton); intermediate tariff, 15 per cent ad valorem, plus 20s. per ton; general tariff, 27½ per cent ad valorem, plus 20s. per ton. This is a reduction from 15 per cent to 10 per cent ad valorem in the British preferential tariff (maximum reduced from 48s. to 28s. per ton); and a reduction of 50s. per ton in the specific duties leviable under the intermediate and general tariffs. The British preferential tariff on this item applies to Canada.

Effective September 8, imports from Canada under three tariff items are made subject to intermediate tariff rates instead of British preferential rates as formerly. This action is taken in accordance with the provisions of Article IX

of the Trade Agreement between Canada and Australia. The items and rates of duty are as follows:—

*Item 110A5.*—Apparel other than knitted, viz: costumes, dresses, or robes, but not including dresses or robes for infants in arms, or such articles when not exceeding 22 inches in length—

(a) Cotton, linen, or other material not elsewhere included in the tariff—

British preferential tariff, 3s. each plus 20 per cent ad valorem.

Intermediate tariff, 6s. each plus 37½ per cent ad valorem.

General tariff, 12s. each plus 50 per cent ad valorem.

(b) The same, wool or containing wool—

British preferential tariff, 7s. 6d. each plus 20 per cent ad valorem.

Intermediate tariff, 12s. 6d. each plus 37½ per cent ad valorem.

General tariff, 25s. each plus 50 per cent ad valorem.

(c) The same, silk or containing silk but not containing wool—

British preferential tariff, 6s. each, plus 20 per cent ad valorem.

Intermediate tariff, 10s. each plus 37½ per cent ad valorem.

General tariff, 20s. each plus 50 per cent ad valorem.

Or, instead of the composite rates quoted above under either (a), (b), or (c), the following ad valorem rates if they return a higher duty—

British preferential tariff, 35 per cent ad valorem.

Intermediate tariff, 60 per cent ad valorem.

General tariff, 75 per cent ad valorem.

*Item 178B2.*—Piston rings for internal combustion engines—

British preferential tariff, 25 per cent ad valorem.

Intermediate tariff, 55 per cent ad valorem or 2½d. each, whichever is higher.

General tariff, 55 per cent ad valorem or 2½d. each, whichever is higher.

*Item 180H.*—Sparking plugs, whether imported separately or incorporated in or forming part of any goods under Item 177B3a (tractor engines) or 359D (motor vehicles)—

British preferential tariff, 9d. each or 30 per cent ad valorem, whichever is higher.

Intermediate tariff, 1s. each or 50 per cent ad valorem, whichever is higher.

General tariff, 1s. 1d. each or 57½ per cent ad valorem, whichever is higher.

Ad valorem rates under all above-quoted items are subject to increase as present Australian exchange depreciation may be lessened.

Primage duty in all cases is 5 per cent ad valorem under the British preferential and intermediate tariffs and 10 per cent ad valorem under the general tariff.

## New Zealand

### CUSTOMS DECISIONS

Recent decisions of the New Zealand Customs as to the classification of imported articles include the following:—

"Drip-moulding of steel, not drilled or otherwise worked, being channelling for use on motor vehicle bodies," is admissible under Item 448, free of duty under the British preferential tariff and at 20 per cent ad valorem under the general tariff. (Formerly admission was permitted at these rates of goods described as "drip-moulding of rolled steel, for use in making motor car bodies." This description is now cancelled.)

Egg-cleaning machines are free of duty under both British preferential and general tariffs (Item 333-2). Electric motors therefor are free of duty under the British preferential and 25 per cent ad valorem under the general tariff (Item 333-1a). (Formerly egg-cleaning machines were under Item 352, free of duty under the British preferential and 25 per cent under the general tariff.)

Ornaments and hangers, or hooks, of metal, for attachment to hanging frameless mirrors, 20 per cent ad valorem under the British preferential tariff, 45 per cent ad valorem under general tariff (Item 356-1). (A former ruling admitting "rosettes for ornamenting mirrors and other glassware, each consisting of a metal rosette, bolt, nut, screw, and two washers," free under British preferential and 20 per cent ad valorem under general tariff (Item 448) is cancelled.)

Stearic acid (stearine) on declaration that it will be used only in the manufacture of metal polish, is dutiable at three-quarters penny per pound under the British preferential and 1d. per pound under the general tariff. (Item 34, covering also stearine for the manufacture of candles, matches, soaps, and leather.)



"Uni" carbide abrasive floor treads are dutiable at 20 per cent ad valorem under the British preferential and 45 per cent ad valorem under general tariff (Item 356-1). "Uni" carbide nosing tiles and mosaic tiles are dutiable at the same rates under Item 218.

Canadian goods are entitled to the British preferential rates quoted above. The general tariff applies to all countries outside the British Empire. Articles free of ordinary duty are subject to 3 per cent ad valorem primage duty (except egg-cleaning machines).

## United States

### CATTLE QUOTA FILLED

With reference to the notice in *Commercial Intelligence Journal* No. 1751 (August 21, 1937), page 361, stating that 93.5 per cent of the United States quota for 1937 of cattle weighing 700 pounds or more, to be admitted at a reduced duty, had been exhausted, a further notice stated that importations up to August 14, 1937, had completely filled the quota. The foregoing does not include cows of 700 pounds or more each imported specially for dairy purposes, of which there is a separate quota of 20,000 head.

In the Canada-United States Trade Agreement provision is made for reduction in duty from 3 cents to 2 cents per pound for cattle weighing 700 pounds or more each, and not specially provided for, up to a quota of 155,799 head. Exports of these cattle from Canada to different customs districts of the United States during the period January 1 to August 14 are as follows: Minnesota, 51,210; Buffalo, 37,821; Michigan, 12,268; Dakota, 10,501; Washington, 7,503; Montana and Idaho, 4,509; New York, 2,526; Chicago, 2,013; St. Lawrence, 1,276; Oregon, 789; Vermont, 473; Philadelphia, 293; Duluth and Superior, 276; Massachusetts, 78; Maryland, 73; Maine and New Hampshire, 56. Total from Canada, 131,665.

The remainder of the imports, 24,376, came from Mexico.

## Japan

### TARIFF CHANGES

With reference to the article in *Commercial Intelligence Journal* No. 1735 (May 1, 1937), page 760, Mr. T. J. Monty, Assistant Trade Commissioner in Tokyo, advises that, effective October 1, wood imported as raw material for the manufacture of pulp will be free of duty. The species of wood specified as coming under this exemption and the rates applicable when imported for other purposes are:—

Item No.	Rate of Duty
612 F-3 Red cedar, hemlock, etc.:	
(b) Exceeding 60 mm. (2 $\frac{3}{8}$ in.) and not exceeding 200 mm. (7 $\frac{7}{8}$ in.) in thickness. . . . .	7.42 yen per cu. metre (\$5.10 per M ft.)
(c) Exceeding 200 mm. (7 $\frac{7}{8}$ in.) in thickness. . . . .	4.99 yen per cu. metre (\$3.40 per M ft.)
(d) Logs and cants . . . . .	4.45 yen per cu. metre (\$3.05 per M ft.)
F-4 Spruce, pine, larch, etc.:	
(a) Not exceeding 200 mm. (7 $\frac{7}{8}$ in.) in thickness . . . . .	6.00 yen per cu. metre (\$4.10 per M ft.)
(b) Other, including logs and cants . . . . .	3.64 yen per cu. metre (\$2.50 per M ft.)

With effect from August 11, "aeroplanes, motors or propellers of aeroplanes" to be imported with the approval of the Government are exempt from duty. These are classified as "unenumerated machinery" when imported otherwise and are dutiable at 20 per cent ad valorem. Materials for use in alcohol and articles of government monopoly are also made free of duty. Tax exemptions on "mineral oils," which were in effect up to August 11, are abolished.

## FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING SEPT. 7, 1937

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Tuesday, September 7, and for the week ending Monday, August 30, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Aug. 30	Nominal Quotations in Montreal Week ending Sept. 7	Official Bank Rate
Austria . . . . .	Schilling	.1407	\$ .1886	\$ .1885	3½
Belgium . . . . .	Belga	.1001	.1686	.1686	2
Bulgaria . . . . .	Lev	.0072	.0129	.0129	6
Czechoslovakia . . . . .	Krone	.0296	.0349	.0349	3
Denmark . . . . .	Krone	.2680	.2216	.2212	4
Finland . . . . .	Markka	.0252	.0220	.0219	4
France . . . . .	Franc	.0392	.0373	.0373	3½
Germany . . . . .	Reichsmark	.2382	.4016	.4013	4
Great Britain . . . . .	Pound	4.8666	4.9675	4.9550	2
Greece . . . . .	Drachma	.0130	.0090	.0091	6
Holland . . . . .	Guilder	.4020	.5513	.5514	2
*Hungary . . . . .	Pengo	.1749	.2955	.2955	4
Italy . . . . .	Lira	.0526	.0526	.0526	4½
Jugo-Slavia . . . . .	Dinar	.0176	.0230	.0230	5
Norway . . . . .	Krone	.2680	.2495	.2490	4
Poland . . . . .	Zloty	.1122	.1890	.1889	5
Portugal . . . . .	Escudo	.0442	.0449	.0449	4½
Roumania . . . . .	Leu	.0060	.0073	.0073	4½
Spain . . . . .	Peseta	.1930	.0658	.0658	5
Sweden . . . . .	Krona	.2680	.2560	.2555	2½
Switzerland . . . . .	Franc	.1930	.2295	.2296	1½
United States . . . . .	Dollar	1.0000	1.0000	1.0001	1
Mexico . . . . .	Peso	.4985	.2775	.2775	4-5
Cuba . . . . .	Peso	1.0000	.9992	.9994	—
Guadeloupe . . . . .	Franc	.0392	.0373	.0373	—
Jamaica . . . . .	Pound	4.8666	4.9775	4.9650	—
Martinique . . . . .	Franc	.0392	.0373	.0373	—
Other British West Indies	Dollar	1.0138	1.0350	1.0345	—
Argentina . . . . .	Peso (Paper)	4245	.3310	.3304	3½
	Unofficial		.3015	.3000	—
Brazil . . . . .	Milreis (Paper)	.1196	.0640	.0643	—
British Guiana . . . . .	Dollar	1.0138	1.0350	1.0345	—
Chile . . . . .	Peso	.1217	.0513	.0513	4½
Colombia . . . . .	Peso	.9733	.5701	.5700	4
Peru . . . . .	Sol	.2800	.2600	.2600	6
Venezuela . . . . .	Bolivar	.1930	.3137	.3137	—
Uruguay . . . . .	Peso	1.0342	.7921	.7920	—
South Africa . . . . .	Pound	4.8666	4.9612	4.9490	3½
Egypt . . . . .	Pound (100 Piastres)	4.9431	5.0900	5.0800	—
China (Shanghai) . . . . .	Dollar	.....	.2994	.2956	—
Hongkong . . . . .	Dollar	.....	.3104	.3097	—
India . . . . .	Rupee	.3650	.3748	.3742	3
Japan . . . . .	Yen	.4985	.2896	.2889	2.92
Java . . . . .	Guilder	.4020	.5513	.5515	—
Siam . . . . .	Baht (Tical)	.4424	.4553	.4541	—
Straits Settlements . . . . .	Dollar	.5678	.5825	.5812	—
Australia . . . . .	Pound	4.8666	3.9740	3.9641	3
New Zealand . . . . .	Pound	4.8666	4.0060	3.9961	2
	* Unofficial:		.1975	.1976	—

The Dominion Bureau of Statistics has supplied the following note:—

Foreign exchanges continued quite steady during the week ended September 4. The undertone of sterling remained weak, but fractional losses attracted little attention. A reduction in the discount rate of the Bank of France on September 2 was considered as evidence of the intention of the Government to extend its easy-money policy. Japanese gold shipments since March have been placed recently at \$153,000,000, about half of which it is believed has come from the Bank of Japan and the rest from the Government's non-banking gold supply. The yen continued to hold around 28.90 cents, and French francs likewise changed very little from 3.73 cents. New York funds remained at par in Montreal.



## TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

### Secretary, Board of Trade—

Saint John, N.B.  
Halifax, N.S.  
Quebec, P.Q.  
Montreal, P.Q.  
Toronto, Ont.

Chatham, Ont.  
Kitchener, Ont.  
Stratford, Ont.  
Woodstock, Ont.  
St. Mary's, Ont.

Portage la Prairie, Man.  
St. Boniface, Man.  
Winnipeg, Man.  
Vancouver, B.C.  
New Westminster, B.C.

### Secretary, Chamber of Commerce—

Sherbrooke, P.Q.  
Kingston, Ont.  
Oshawa, Ont.

Belleville, Ont.  
Peterborough, Ont.  
London, Ont.

Hamilton, Ont.  
Victoria, B.C.  
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

### Secretary, Canadian Manufacturers Association—

Toronto, Ont.  
Montreal, P.Q.

Winnipeg, Man.  
Edmonton, Alta.

Vancouver, B.C.  
Victoria, B.C.

The Maritime Provinces Trade Commissioner, 122 Federal Building, Toronto, Ont.

The Bureau of Provincial Information, Victoria, B.C.

**Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.**

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Foodstuffs—</b>			
Fresh Fruits (chiefly Apples and Pears).	625	Belfast, Northern Ireland..	Purchase and/or Agency.
Canadian Cheese.....	626	Boston, Mass., U.S.A.....	Agency.
Pork and Meat Products (Canned, Cooked, Dressed.)	627	Belfast, Northern Ireland..	Purchase or Agency.
Hams.....	628	Boston, Mass., U.S.A.....	Agency.
<b>Miscellaneous—</b>			
Cardboard (Folding Box).....	629	Dublin, Irish Free State...	Purchase.
Wallboard.....	630	Belfast, Northern Ireland..	Purchase.
Leatherboards for Manufacture of Containers.	631	Belfast, Northern Ireland..	Purchase or Agency.
Whitefish Meal.....	632	Belfast, Northern Ireland..	Purchase.
Meat Meal; Meat and Bone Meal.	633	Belfast, Northern Ireland..	Agency.
Electric Floor Polishers.....	634	Melbourne, Australia.....	Agency.
Automobile Brake Linings.....	635	Calcutta, India.....	Agency.
Cotton Chenille for Powder Puffs	636	Auckland, New Zealand...	Purchase.
Window Hollands (Window Shade Cloth).	637	Belfast, Northern Ireland..	Agency.

### CERTIFICATES OF ORIGIN FOR BRITISH PREFERENCES

Canadian exporters are reminded of the importance of supplying correct certificates of origin for goods entitled to preferential tariff treatment in Empire countries. The regulations to be observed vary enough to preclude use of uniform documentation for the different British markets. As regards the principal market, the United Kingdom, goods regarded as growth or produce require 100 per cent Empire content; optical goods and parts require 75 per cent; a selected list of manufactured goods (see F.T.D. Leaflet No. 95) require 50 per cent; for other manufactured goods 25 per cent Empire content suffices. A small number of ingredients must qualify independently for preference. Each "article" is subject to the preference test separately, so that when machinery, etc., is shipped to the United Kingdom knocked-down each separate assembly or part must qualify in itself to be entitled to preference. Notice 27A of the London Custom House, issued in December, 1936, prescribes appropriate forms as follows: D, 119 (Sale), for growth or produce; E, 120 (Sale), for manufactured goods; F, 121 (Sale), for manufactured tobaccos and sugars; FF, 122 (Sale), a supporting certificate for ingredients.

### PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

#### From Montreal

*To Liverpool.*—Duchess of Bedford, Sept. 17; Duchess of Atholl, Sept. 24; Duchess of York, Oct. 1; Duchess of Richmond, Oct. 8—all Canadian Pacific; Antonia, Sept. 24; Andania, Oct. 8—both Cunard-White Star Line; Vardefjell, Fjell Line, Sept. 24.

*To London.*—Beaverford, Sept. 17; Beaverdale, Sept. 24; Beaverbrae, Oct. 1; Beaverburn, Oct. 8; Beaverhill, Oct. 15—all Canadian Pacific; Ausonia, Sept. 17; Ascania, Sept. 24; Aurania, Oct. 1; Alaunia, Oct. 8—all Cunard-White Star Line; Rutenfjell, Sept. 14; Taborfjell, Sept. 25; Svanefjell, Oct. 9—all Fjell Line.

*To Manchester.*—Manchester City, Sept. 16; Manchester Citizen, Sept. 23; Manchester Regiment, Sept. 30; Manchester Commerce, Oct. 7; Manchester Port, Oct. 14—all Manchester Line; Vardefjell, Fjell Line, Sept. 24.

*To Southampton.*—Montrose, Canadian Pacific, Oct. 2.

*To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—Dakotian, Sept. 28; Norwegian, Oct. 16—both Cunard-Donaldson and Dominion Lines; New York City, Sept. 18; Bristol City, Oct. 6—both Bristol City and Dominion Lines.

*To Glasgow.*—Athenia, Sept. 17; Delilian, Sept. 24; Letitia, Oct. 1; Sulairia, Oct. 8—all Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Cairnmona (calls at Dundee), Sept. 22; Cairnross, Sept. 29; Cairnvalona, Oct. 6; Cairnesk (calls at Dundee), Oct. 13; Cairnglen, Oct. 20—all Cairn-Thomson Line.

*To Aberdeen and Hull.*—Kelso, Sept. 24; Gitano, Oct. 12—both Ellerman's Wilson Line.

*To Dublin and Belfast.*—Kenbane Head (cargo accepted for Cork), Head Line, Sept. 25.

*To Antwerp and Havre.*—Beaverford, Sept. 17; Beaverbrae, Oct. 1; Beaverburn, Oct. 8; Beaverhill, Oct. 15—all Canadian Pacific (do not call at Havre); Rutenfjell, Sept. 14; Taborfjell, Sept. 25; Svanefjell, Oct. 9—all Fjell Line (do not call at Havre); Flint II, Sept. 22; Grey County, Oct. 5; Brant County, Oct. 17—all County Line.

*To Rotterdam.*—Hada County, Sept. 17; August, Oct. 9—both County Line; Rutenfjell, Sept. 14; Taborfjell, Sept. 25; Svanefjell, Oct. 9—all Fjell Line.

*To Hamburg and Bremen.*—Bochum, Hamburg-American Line, Sept. 17; Beaverdale, Sept. 24; Beaverford, Oct. 22—both Canadian Pacific (do not call at Bremen); Chennitz, North German Lloyd Line, Oct. 15.



*To Copenhagen, Gothenburg and Baltic Ports.*—Korsholm, Sept. 25; Ragnhildsholm, Oct. 23—both Swedish-America-Mexico Line.

*To Norwegian Ports.*—Vardefjell, Fjell Line, Sept. 24.

*To Marseilles, Genoa, Naples, Messina, Palermo, Lisbon and Leghorn.*—Capo Noli, Sept. 18; Capo Lena, Oct. 9—both Capo Line.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Eikhaug (calls at Bay Roberts, Carbonear and Port Union but not at St. Pierre), Shaw SS. Co., Oct. 14; Belle Isle, Newfoundland-Canada SS., Sept. 24.

*To Corner Brook, Nfld.*—New Northland, Sept. 13 and 27; North Voyageur, Sept. 27—both Clarke SS. Co.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Cornwallis, Sept. 16; Colborne, Sept. 30—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Hamilton (Bermuda), Nassau (Bahamas), Kingston (Jamaica) and Belize (British Honduras).*—Lady Somers, Sept. 15; Cathcart (does not call at Hamilton or Nassau), Sept. 24; Lady Rodney, Sept. 29—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad, Demerara and Paramaribo.*—A steamer, Ocean Dominion SS. Corp., Sept. 24.

*To Brisbane, Sydney and Melbourne.*—City of Delhi (calls at Adelaide if sufficient induce-ment offers), Montreal-Australia-New Zealand Line, Sept. 30.

*To Auckland, Wellington, Lyttelton and Dunedin.*—Australind, Montreal-Australia-New Zealand Line, Sept. 21.

*To Sierra Leone, Walvis Bay, Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques and Beira.*—Cochrane, Elder-Dempster Lines Ltd., Sept. 27.

*To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Singapore, Madras, Rangoon and Calcutta.*—City of Guilford, Sept. 15; City of Johannesburg, Sept. 30—both Canada-India Service.

*To Belawan Deli, Penang, Port Swettenham, Singapore, Batavia, Cheribon, Samarang, Soerabaya and Macassar.*—A steamer, Java-New York-Blue Funnel Line, October.

*To Yokohama, Kobe and Osaka.*—City of Canton, Canada-Far East Line, Sept. 27.

*To Manila, Hongkong, Shanghai and Dairen.*—City of Singapore, Ellerman & Bucknell SS. Co., Sept. 30; Adrastus (does not call at Dairen), Blue Funnel Line, Oct. 12.

*To Santos and Buenos Aires.*—Hektor, International Freighting Corp., Sept. 22.

### From Quebec

*To Southampton.*—Empress of Australia, Sept. 16; Empress of Britain, Sept. 25 and Oct. 9—both Canadian Pacific.

### From Saint John

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Drake, Sept. 15; Lady Nelson, Sept. 29—both Canadian National.

*To Kingston and Jamaican Outports.*—Crawford Ellis (cargo accepted for transhipment to Central and South American ports), United Fruit Co., Sept. 24 and Oct. 8

### From Halifax

*To Liverpool.*—Manchester Division, Sept. 27; Manchester Producer, Oct. 14—both Manchester Line; Nova Scotia, Sept. 21; Newfoundland, Oct. 9—both Furness Line.

*To London.*—Edam, Sept. 27; Spaarndam, Oct. 5—both Holland-America Line; Capulin, Sept. 15; City of Flint, Sept. 29; Lehigh, Oct. 13—all American Hampton Roads.

*To Manchester.*—Manchester Brigade, Sept. 12; Manchester City, Sept. 19; Manchester Citizen, Sept. 26; Manchester Regiment, Oct. 3; Manchester Commerce, Oct. 10—all Manchester Line.

*To Newcastle and Leith.*—Cairnmona, Sept. 25; Cairnross, Oct. 2; Cairnvalona, Oct. 9; Cairnesk, Oct. 16—all Cairn-Thomson Line.

*To Aberdeen, Newcastle and Hull.*—Trentino, Ellerman's Wilson Line, Oct. 4.

*To Cardiff, Bristol and Swansea.*—New York City, Sept. 22; Boston City, Oct. 28—both Bristol City Line.

*To Rotterdam.*—Edam, Sept. 27; Spaarndam, Oct. 5—both Holland-America Line.

*To Hamburg, Bremen, Hull, Leith and Dundee.*—Capulin, Sept. 15; City of Flint, Sept. 29; Lehigh, Oct. 13—all American Hampton Roads.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Fort Townshend, Sept. 13 and 27; Fort Amherst, Sept. 20 and Oct. 4—both Furness-Red Cross Line; Kongshaug, Newfoundland-Canada SS. Ltd., Sept. 20; Portia (does not call at St. Pierre), Newfoundland Ry. and SS. Co., Sept. 22; Nova Scotia, Sept. 21; Newfoundland, Oct. 9—both Furness Line (do not call at St. Pierre).

*To Kingston (Jamaica) and Belize (British Honduras).*—Cavelier, Sept. 13; Cathcart, Sept. 24—both Canadian National.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Drake, Canadian National, Sept. 23.

*To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer, Ocean Dominion SS. Corp., Sept. 15 and 29.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Cornwallis, Sept. 20; Colborne, Oct. 4—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Bermuda, West Indies, and Demerara.*—A steamer, Pickford & Black Ltd., Sept. 15 and 29.

*To Yokohama, Kobe, Shanghai, Hongkong, Manila, Cebu and Java.*—Siamese Prince, Sept. 20; Malayan Prince, Oct. 25—both Furness-Prince Line; Silverwalnut, Silver Line Sept. 30.

### From Vancouver

*To Yokohama, Kobe and Osaka.*—Hikawa Maru, Oct. 2; Hiye Maru, Oct. 14; Heian Maru, Oct. 30—all Nippon Yusen Kaisha.

*To Yokohama, Kobe, Shanghai, Hongkong and Manila.*—Empress of Asia (calls Nagasaki), Sept. 18; Empress of Canada (calls Honolulu), Oct. 2; Empress of Russia (calls Nagasaki), Oct. 16; Empress of Japan (calls Honolulu), Oct. 30—all Canadian Pacific; Tyn-dareus, Sept. 18; Ixion, Oct. 16—both Blue Funnel Line (call at Miike but not at Manila).

*To Manila, Iloilo, Cebu, Soerabaya, Samarang, Batavia, Singapore, Port Swettenham, Belawan Deli, Colombo, Bombay and Persian Gulf Ports.*—Tosari, Oct. 1; Hoegh Silverlight, Nov. 1—both Silver-Java Pacific Line.

*To Honolulu, Suva, Auckland and Sydney.*—Niagara, Sept. 29; Aorangi, Oct. 27—both Canadian-Australasian Line.

*To Papeete, Auckland, Wellington, Lyttelton, Dunedin, Melbourne and Sydney.*—Waiotapu (does not call at Wellington or Melbourne), Sept. 27; Hauraki, Oct. 11—both Canadian-Australasian Line.

*To Wellington, Port Huon, Beauty Point, Melbourne and Sydney.*—Anglo Canadian, Canadian-Australasian Line, Sept. 20.

*To London, Liverpool and Rotterdam.*—Lochmonar (calls at Glasgow), Sept. 18; Drechtdyk, Oct. 2; Lochkatrine (calls at Glasgow), Oct. 16; Dinteldyk, Oct. 30—all North Pacific Coast Line.

*To Antwerp, Hamburg and Bremen.*—Oakland, Sept. 19; Seattle, Oct. 17—both Hamburg-American Line; Weser, Oct. 6; Este, Oct. 27—both North German Lloyd Line.

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L. D. WILGRESS, *Director*

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# COMMERCIAL INTELLIGENCE JOURNAL



Vol. LVII

Ottawa, September 18, 1937

No. 1755



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## INDEX TO THE "COMMERCIAL INTELLIGENCE JOURNAL"

The Index to the *Commercial Intelligence Journal* for the six months ended June 30, 1937 (Nos. 1718 to 1743 inclusive), is now in the hands of the printer and will be sent out shortly to subscribers. Canadian manufacturers and exporters are strongly advised to file all numbers of the *Commercial Intelligence Journal* for future reference, and to preserve them, with the Index, in bound volumes, or in some other convenient form. Back numbers of the Index, as well as additional copies, may be had free of charge on application to the Department of Trade and Commerce, Ottawa.

## GRAIN AND FLOUR TRADE OF SCOTLAND<sup>1</sup>

G. B. JOHNSON, CANADIAN TRADE COMMISSIONER

### WHEAT

Glasgow, August 24, 1937.—The experiences of the past few years have shown that Canadian wheat is not indispensable to wheat-importing countries. Even in Scotland, which is still Canada's best per capita market for wheat and flour, there has been a tendency at times for millers to use a smaller proportion of Canadian hard wheat when they considered that the premium in price as compared with other wheats was greater than the admittedly superior quality of the Canadian product justified. Canadian wheat is always in demand and will bring a higher price than other wheats.

It is gratifying to learn from import statistics that the Dominion's share of Scottish wheat consumption in recent years has held up remarkably well. During 1936 Canada held a stronger position on the Scottish market than for several years past, having supplied 68 per cent of the imports as compared with 61 per cent in 1935, 64 in 1934, 65 in 1933 and 1932, and 56 in 1931.

Practically all the wheat imported into Scotland enters through the ports of Glasgow and Leith. The following table shows imports through these ports by countries for the years 1932 to 1936 inclusive:—

Wheat Imports into Scotland

	1936	1935	1934	1933	1932
	Bushels	Bushels	Bushels	Bushels	Bushels
Totals . . . . .	11,860,704	13,765,320	11,423,000	13,703,000	12,948,000
Canada . . . . .	8,055,552	8,422,344	7,387,000	8,982,000	8,524,000
Australia <sup>1</sup> . . . . .	2,750,512	2,236,668	2,895,000	500,000	2,338,000
Argentina . . . . .	65,256	453,130	517,000	.....	800,000 <sup>1</sup>
France . . . . .	183,592	615,390	158,356	.....	.....
Russia . . . . .	.....	.....	.....	.....	422,100

<sup>1</sup> Estimated.

<sup>1</sup>This report was submitted to the Royal Grain Inquiry Commission by the Canadian Trade Commissioner at Glasgow as a supplement to the evidence given by him before the Commission at its sitting at Glasgow July 27, 1937.

## FLOUR

Canada maintains her dominant position in the Scottish flour trade, and still supplies about 50 per cent of the total receipts at Glasgow and Leith. (There are large imports of flour also at Dundee and Aberdeen, but detailed statistics are not available.) At these two ports probably 90 per cent of the flour entered is Canadian. The exact percentages of total receipts at Glasgow and Leith attributable to Canada over this period are: 1936, 51; 1935, 52; 1934, 49; and 1933, 50. It must be borne in mind that the totals shown in the appended table are more than total imports: they include substantial shipments by coast or rail from English mills, a new development resulting in increased competition for both Canadian and Scottish mills. Canada's percentage of imported overseas flour at Glasgow and Leith during 1936 was 63; for 1935 it was 57; for 1934, 58; and for 1933, 59.

Although from the above it will be seen that Canada's share of the total receipts, and of the imports, of flour at Glasgow and Leith has been highly satisfactory, there has been a decrease in sales volume during the past four years. As flour consumption can be said to remain fairly stationary, this decline can only be ascribed to increased sales by local mills, chiefly as a result of the spread between the prices of Canadian and competing wheats. Because of its quality, Canadian wheat can always command a premium over all others, and millers, especially in Scotland, are always willing to pay what they consider a reasonable premium for it. In recent years, however, Canadian prices were so high, as compared to others, or rather the latter were so low, that Scottish millers began to use an increasing quantity of the cheaper wheats and, accordingly, were able to undersell Canadian millers grinding exclusively the higher-priced Canadian product.

## FACTORS AFFECTING IMPORTS

In Scotland, where conditions are radically different from those in England, a high-quality loaf is always in demand, and until recently the "long" or Scottish system (often called the quarter-sponge system) of baking was exclusively employed. For this purpose a strong flour is essential, as this process demands a strong glutenous foundation, for which Canadian hard wheat in high proportion is an essential ingredient. Because of the relatively high price of Canadian wheat flour, however, following the disproportionate price of Canadian wheat, Scottish bakers gradually began to adopt the short process (the system in vogue in England), in which relatively small quantities of strong flours are needed to produce a moderately acceptable loaf.

The result of this change would have been less favourable to the Canadian milling industry but for the fact that those bakers still adhering to the long or Scottish process bought more Canadian flour than formerly because of the difficulty of getting the strong flour they needed from British millers. Flour mills in Scotland have been making adjustments in their equipment to enable them to produce the cheaper flours for use in the short process, otherwise they would lose business to the Liverpool and other English millers.

It would seem that the larger the sales of Canadian flour in Scotland the smaller would be the sales of Canadian wheat, but to compete in quality with the better Canadian flour, the Scottish mills must use more Canadian wheat, although their total purchases of wheat would decline.

It will be seen, therefore, that Canada's position in the Scottish flour market is a vulnerable one, and can only be held if the price premium on Canadian wheat is a reasonable one and represents a real difference in value between Canadian and other wheats.



Imports of flour from the principal sources of supply into Glasgow and Leith for the years 1931 to 1936 were as follows:—

*Flour Imports at Glasgow and Leith*

	1936	1935	1934	1933	1932	1931
	Figures in Sacks of 280 Pounds					
Totals . . . . .	1,106,852	1,198,566	1,281,389	1,301,068	1,191,800	1,324,600
Canada . . . . .	566,769	622,706	630,536	658,641	572,200	591,300
Australia . . . . .	262,811	238,565	264,945	329,586	355,300	258,400
France . . . . .	8,431	15,329	30,006	13,678	.....	.....
United States . . . . .	18,599	22,442	43,043	25,127	83,300	317,200
Coast and rail from England	217,725	202,000	198,304	193,328	.....	.....

**BARLEY**

Barley of the quality required by British brewers is not available from Canada. Large quantities are imported into Britain for feed, especially in the Bristol area, but so far as Scotland is concerned the best opportunities lie in increased sales to the grain distillers.

There are two classes of distillers in Scotland, and it is a blend of the products of these that is described as "Scotch" whisky. There are 113 malt distilleries (pot-still distilleries) in Scotland, many of which are not now in operation, and six grain distilleries (patent-still distilleries).

For the manufacture of pot-still whisky (by the malt distillers) barley malt is generally the only material used in the mash. For patriotic reasons these distillers use as far as possible Scottish barley when the season is good. Barley is the second most important cereal grown in Scotland. They prefer Australian "Chevalier" above all others. "Danish Island" comes next in preference. The Australian weighs from 53 to 54 pounds to the bushel, has a moisture content of from 10 to 12 per cent and is a fine, pale-ale quality barley, the grains being plump, thin-skinned, and creamy-yellow in colour.

For the patent-still (grain distilling) process the materials used in the mash are malt, maize, barley, rye and oats, the proportions varying in different distilleries. These distillers prefer Canada Western and 54-pound Danubian barley when the quality is satisfactory and the germination is up to, say, 95 per cent. As they require a barley high in diastase, Canada Western is preferred when it is sound and free from heat.

**CANADIAN TYPES IN USE**

Up to the present the grain distillers have brought in, mainly through Leith, No. 3 Canada Western barley, although they are aware this grade is regarded in the Dominion as a feed barley. However, it has on the whole proved fairly satisfactory, although there are times when, after a succession of satisfactory cargoes, the grain fails to germinate. For their purpose, however, a better barley is needed, and it is found in No. 3 Extra Canada Western Six-Row. The most serious defects of No. 3 C.W. are that it is so often heated, is too light in weight, is not clean, and frequently fails to germinate. This type of barley is not used in large volume on account of its relatively high price as compared with other quite suitable barleys and the fact that sufficient quantities are not available.

The following table shows imports of barley into Glasgow and Leith from the principal sources of supply for the years 1931 to 1936:—

*Imports of Barley at Glasgow and Leith*

	1936	1935	1934	1933	1932	1931
	Cwts.	Cwts.	Cwts.	Cwts.	Cwts.	Cwts.
Totals . . . . .	2,317,817	1,648,932	1,789,756	1,602,558	596,000	1,120,350
Canada . . . . .	324,446	506,219	314,683	160,935	38,000	127,000
United States . . . . .	388,681	264,977	247,785	312,072 <sup>1</sup>	280,000	180,000
Mediterranean and Black Sea ports . . . . .	577,439	208,242	399,346	414,401	.....	240,000

<sup>1</sup> Estimated.

## OATS

The principal cereal crop in Scotland is oats, and while there is always an outlet in Scotland for some quantities of Canadian oats the market is really only favourable for the Canadian product when the Scottish crop is short and selling at a good price. Canadian oats are brought in for feed. The numerous oatmeal mills use Scottish oats exclusively.

The following table shows total imports of oats into Glasgow and Leith for the years 1931 to 1936, together with quantities from Canada:—

*Imports of Oats at Glasgow and Leith*

	1936	1935	1934	1933	1932	1931
		Figures in Hundredweights of 112 Pounds				
Total . . . . .	13,618	150,766	57,000	98,000	543,900	499,000
Canada . . . . .	10,718	101,475	18,000	17,000	75,000 <sup>1</sup>	30,000

<sup>1</sup> Estimated.

In 1931 Argentina shipped 169,000 cwts. of oats to Scotland, and Russia 131,000 cwts. Argentina supplied about 275,000 cwts. in 1932. Subsequently Canada has been practically the only overseas source of supply, and the differences between total receipts at Glasgow and Leith and imports from Canada, shown in the above table, are for the most part made up of coastal shipments from other parts of Scotland.

## RYE

This grain is used by distillers as a component of their mash, which is usually made up of a fairly wide variety of grains. Relative cheapness decides the quantity of rye used by the grain distiller. Canada is the only important source of supply as shown in the following table:—

*Imports of Rye at Glasgow and Leith*

	1936	1935	1934	1933	1932 <sup>1</sup>
	Figures in Hundredweights of 112 Pounds				
Total . . . . .	71,526	83,571	60,525	89,377	39,000
Canada . . . . .	67,406	51,421	47,141	77,086	34,000

<sup>1</sup> Glasgow only.

## CANNED SALMON IMPORTS INTO THE UNITED KINGDOM

H. L. BROWN, ASSISTANT TRADE COMMISSIONER

London, August 27, 1937.—Half-yearly statistics recently made available on importations into the United Kingdom indicate that the trade in canned salmon of all kinds is being amply maintained and has increased over the past few years. Total importations in the period January to June, 1937, were valued at £1,352,021 as compared with £827,088 in the same period of 1936 and £1,262,131 in the corresponding period of 1935.

The noteworthy feature of these statistics is the large increase in the quantity and value credited to Japan, which supplied about 55,000 cwts. (of 112 pounds) in the first half of both 1935 and 1936, with values of £197,000 and £133,000 respectively. In the first six months of 1937 this increased to 184,000 cwts. valued at £576,000. This impressive increase appears to have been due to greater demand rather than to decreased imports from supplying countries.

Canned salmon from Russia arrives mainly in the months of October and November and to a lesser extent in September. Consequently importations from that country in the first few months of the year are low, and in the first half of 1937 amounted to less than 5,000 cwts. valued at slightly over £15,000. Allowing for unforeseen contingencies, the total imports from Russia during the year should be normal.



In the first half of 1937 supplies from Canada increased substantially in volume to over 75,000 cwt. as compared with 67,000 cwt. and 40,000 cwt. in the same periods of 1936 and 1935 respectively. The value in 1937 decreased, however, to £264,000 as compared with £298,000 in 1936, but showed an increase over the figure of £171,000 in the 1935 period.

Both quantity and value of shipments from the United States decreased in the first half of 1937 as compared with the corresponding period of 1935, although much higher than in 1936.

#### TREND OF IMPORTATIONS

The distribution by countries of imports of canned salmon in the first half of the current year suggests the desirability of examining the trend of importations in the past decade. The following table shows quantities and values of imports by years during this period, and the totals credited to each of the four main supplying countries:—

#### *Importations of Canned Salmon, 1926 to 1936*

Year	Total	Quantities (Thousands of Cwts. of 112 Lbs.)			
		Canada	U. States	Russia	Japan
1926 .. . . .	606	112	198	281	11
1927 .. . . .	648	125	231	246	44
1928 .. . . .	839	100	232	364	142
1929 .. . . .	869	91	273	367	123
1930 .. . . .	932	102	195	536	96
1931 .. . . .	827	172	189	391	60
1932 .. . . .	855	142	217	393	100
1933 .. . . .	692	101	211	306	72
1934 .. . . .	1,164	128	356	423	252
1935 .. . . .	1,034	146	359	302	226
1936 .. . . .	1,049	167	332	282	267

Year	Total	Values (Thousands of Pounds Sterling)			
		Canada	U. States	Russia	Japan
1926 .. . . .	3,623	661	936	1,950	53
1927 .. . . .	3,607	748	1,010	1,639	200
1928 .. . . .	4,565	479	1,135	2,144	799
1929 .. . . .	4,424	416	1,287	2,186	508
1930 .. . . .	4,557	495	986	2,652	411
1931 .. . . .	3,808	822	886	1,861	197
1932 .. . . .	3,384	618	819	1,551	391
1933 .. . . .	2,645	549	713	1,022	354
1934 .. . . .	4,441	673	1,151	1,520	1,082
1935 .. . . .	3,887	698	1,310	1,049	825
1936 .. . . .	4,186	767	1,280	1,045	1,090

The foregoing figures show that although the total quantity of canned salmon imported into the United Kingdom is increasing steadily, values have not kept pace, the volume in 1936 being 73 per cent greater than in 1926 but the total value increasing by only 15 per cent. This may be attributed to the increase in imports of the cheaper grades from Russia and Japan, which together show an advance of 88 per cent in quantity but only 6½ per cent in value. While these proportions are taken arbitrarily from the statistics of 1926 and 1936, with no allowance for fluctuations during the intervening years, they may be assumed to be indicative of the general situation.

Whatever the origin of supplies, there is no doubt that canned salmon is in increasing demand as a staple food. Apart from 1933, an exceptional year, the trend has been steadily upward and, with the return of a fair measure of prosperity in 1934, consumption among the working class increased. As a result of this demand, imports increased to proportions far exceeding those of the previous eight years, although the average unit price during the period 1928-30 has not been attained.

### IMPORTS FROM JAPAN AND RUSSIA

The most noteworthy feature of the statistics of canned salmon imports is, as already mentioned, the tremendous increase in volume and value from Japan. Disregarding the violent fluctuations of 1928 to 1933, the supplies from Japan have risen from practically nothing in 1926 to about 250,000 cwts. valued at about £1,000,000 annually; it would appear, therefore, that about 60 per cent of the net increase in quantity in the past decade has been obtained by Japan.

Supplies from Russia during the decade averaged about 350,000 cwts. annually, although there has been a noticeable decline in the past few years in both quantity and value.

### IMPORTS FROM THE UNITED STATES

The position of the United States as a supplier has always been firm and has been strengthened during the period under review. Over the whole ten-year period the average quantity shipped annually has been about 270,000 cwts. There has, however, been an increase of over 40 per cent in quantity and 9 per cent in value in imports from the United States in the years 1934-36 as compared with the period 1927-29. Incidentally, the United States has replaced Russia, temporarily at least, as the leading source of supply both in quantity and value.

### IMPORTS FROM CANADA

Canada, which ranked third as a supplier up to 1933, has now dropped to fourth, having been replaced by Japan. Nevertheless, both the quantity and value of shipments from Canada have increased materially during the past ten years. The average annual aggregate has been about 126,000 cwts., a figure which has been exceeded in every year since 1931 except 1933; in fact the annual aggregate since 1931 has been nearly 143,000 cwts. and, had 1933 not been so abnormal, the average would have been much higher. The value of importations of canned salmon from Canada has in the past three years been brought to a level equalling and frequently exceeding that of previous years.

Of the average quantities imported in the years 1934-36 the United States supplied about 32 per cent, Russia 31 per cent, Japan 23 per cent, and Canada 14 per cent; of the average values in the same period the respective percentages were approximately 30, 29, 24, and 17.

### RE-EXPORTATION OF CANNED SALMON

The amount of canned salmon re-exported from the United Kingdom is not extensive and appears to be decreasing; in 1931 it amounted to about 5 per cent of the quantity imported, whereas in 1936 it was about 3 per cent. The principal markets for re-exports are: Union of South Africa (5,000 to 6,000 cwts.), Irish Free State (6,000 to 7,000 cwts.), Holland (5,000 to 6,000 cwts.), Channel Islands (3,000 to 4,000 cwts.), Belgium (2,000 to 7,000 cwts.), and British West Africa (1,500 to 2,000 cwts.).

### CERTIFICATES OF ORIGIN FOR UNITED KINGDOM SHIPMENTS

J. M. BOYER, ASSISTANT TRADE COMMISSIONER

Glasgow, August 31, 1937.—Recent occurrences at this port demonstrate the necessity for absolute accuracy on the part of Canadian shippers in the completion of certificates of origin.

This document is the first, and in many cases the only, evidence required by customs officials in the United Kingdom to satisfy them that shipments from Canada qualify for Imperial preference. When, as sometimes happens, the cer-



tificate of origin is obviously incorrect, even in a minor detail, suspicion is aroused, and the tendency is for customs officials to refuse acceptance of the certificate and to require a deposit of duty on the goods until such time as their admissibility to preference can be satisfactorily proved.

The most common cause of inaccuracy in Canadian certificates of origin seems to be due to an attempt on the part of export agents and similar firms to avoid disclosing their various sources of supply. For example, cases have occurred in which brokers or export agents have sent out certificates of origin in which they described themselves as producers, manufacturers or growers, when in fact they were merely suppliers. The correct certificate of origin when issued by firms not directly concerned with the production of goods should, in the case of certain commodities, bear the name or names of the actual producers or growers and, in the case of other commodities, it should be accompanied by a supplementary certificate signed by the producer or manufacturer. To issue a certificate that evades the requirements is almost certain to cause trouble and is quite unnecessary. When it is important that names of actual producers or manufacturers should be withheld from buyers in this country, it is in order to send certificates of origin direct to H.M. Collector of Customs in the port of destination instead of sending them to the buyers of the goods.

Information as to the United Kingdom requirements concerning certificates of origin is available on application to the Foreign Tariffs Division, Department of Trade and Commerce, Ottawa. To avoid difficulties, shippers should familiarize themselves with these requirements, and see that all certificates of origin covering shipments to this country are strictly in accordance therewith.

## REVIVED VANCOUVER-JAMAICA SHIPPING SERVICE

F. L. CASSERLY, OFFICE OF THE CANADIAN TRADE COMMISSIONER

Kingston, Jamaica, August 24, 1937.—The first call at Jamaica of the revived shipping service between Vancouver and Jamaica was made on August 20 by a vessel of the Canadian Transport Company. A total of 56,864 feet of lumber, consisting mainly of Douglas fir and white pine, with small quantities of cedar, was landed at Kingston. The vessel's cargo also comprised a fair quantity of biscuit-box shooks, rope, and oats in bags, and she had aboard 3,952,818 feet of Douglas fir, destined for Grangemouth, Scotland. The last previous call at Kingston by a vessel of this line bringing cargo from Vancouver was made on February 13, 1936, but a number of ships have since arrived in ballast to take return cargoes of sugar.

It is expected that much larger quantities of Douglas fir will come to Jamaica by the next sailing, as local lumber merchants have recently placed orders in Vancouver for 243,000 feet of lumber, and there are further substantial orders in prospect.

## OPPORTUNITIES FOR INCREASED IMPORTS FROM CANADA

On April 1 of the present year the basis of levying import duty in this colony on goods assessed ad valorem was changed from f.o.b. country of origin to c.i.f. Kingston. Consequently, the opportunities for the sale of Canadian lumber are now more favourable; all lumber, irrespective of country of origin, pays duty at the rate of 6s. 9d. per 1,000 feet for rough and 10s. 6d. per 1,000 feet for dressed. Cypress and wallaba shingles pay 4s. 6d. per 1,000 and other kinds of shingles 3s. In addition to these duties, foreign lumber and shingles pay 10 per cent ad valorem, which is now computed on the c.i.f. Kingston value, whereas prior to April 1 the basis of computation was f.o.b. mill.

## LUMBER

The Jamaican demand for lumber is considerable, and nearly all the lumber used in the island is imported, as local production is quite small. In the calendar year 1936 rough pitch pine was imported in the total quantity of 6,450,983 feet, valued c.i.f. at £46,042, of which the United States supplied 5,121,920 feet (£36,991) and the Bahamas 1,317,643 feet (£8,931). In the same year imports of dressed pitch pine totalled 7,008,876 feet, valued at £55,572 c.i.f., of which the United States supplied 6,422,968 feet (£49,918) and the Bahamas 578,899 feet (£5,539). The published official statistics show 11,420 feet of rough pitch pine (£120) and 7,009 feet of dressed (£115) as having been imported from Canada during this period. All the Douglas fir and white pine used in Jamaica comes from Canada, which supplied in the year under review the following quantities of each kind: rough Douglas fir, 519,456 feet (£3,633); dressed Douglas fir, 609,913 feet (£4,237); rough white pine, 26,587 feet (£215); dressed white pine, 36,333 feet (£455).

Besides the above imports, there was brought in unenumerated rough lumber totalling 60,197 feet, valued at £1,234, and unenumerated dressed lumber totalling 12,162 feet (£287). The principal supplying countries were the United States, British Guiana, and Brazil.

## SHINGLES

Total imports of cypress shingles in 1936 were 243,000 in number, valued at £867 c.i.f., of which the United States supplied 240,000 (£854) and British Guiana the small remainder. Cedar and other shingles totalled 1,287,917 in number (£2,882), of which 1,081,367 (£2,356) came from Canada and 206,550 (£526) from the United States.

Creosoted piles totalling £927 in c.i.f. value were imported from the United States; these were brought in by the Jamaican Government and therefore were free of duty. In the ordinary way of trade creosoted piles are dutiable ad valorem at 15 per cent under the British preferential and at 20 per cent under the general tariff.

## BOX SHOOKS AND CRATES

There is a considerable demand in Jamaica for boxes for putting up various kinds of local produce. The principal kinds imported are for biscuits, citrus fruit, logwood extract, rum puncheons, and cases for bottled rum and soap. Honey barrels are also brought in to a considerable extent. Full details of these and other imports into Jamaica were given in *Commercial Intelligence Journal* No. 1741 (June 12, 1937).

The largest single item is citrus crates, of which imports during 1936 totalled 611,973 in number (£26,130), the United States supplying 418,638 (£17,149) and Canada 193,335 (£8,981). Citrus production in Jamaica is increasing, and with it the demand for crates. There is a smaller trade in crates for putting up limes, tomatoes, and other fresh fruit and vegetables; this, however, may likewise be expected to grow, as the Government of Jamaica is encouraging local production of those articles.

Excepting white oak staves and headings for vats, puncheons, hogsheads, or barrels, which are free of duty irrespective of country of origin, all shooks for putting up local produce are free if of British Empire origin and dutiable at the rate of 10 per cent ad valorem if of foreign origin.

The demand for imported lumber may likewise be expected to increase in consequence of the Government's program of public development which is now under way and which includes the erection of a new Government Savings Bank, a tuberculosis hospital, and other buildings, as well as a scheme of slum clearance in Kingston, involving the building of a considerable number of cottages for the poorer people.



## FLOUR

Imports of wheat flour into Jamaica in 1936 totalled 427,776 bags of 196 pounds (£390,058), of which Canada shipped 269,011 bags (£254,761); Australia, 91,459 bags (£77,766); the United Kingdom, 66,164 bags (£55,772); and the United States, 1,141 bags (£1,758). Duties are, per 196 pounds, 7s. under the British preferential and 9s. under the general tariff. As the duties are specific, this article is not affected by c.i.f. valuations for customs purposes in Jamaica.

## CANNED FISH

Canned fish, consisting largely of salmon, herring, and sardines, was imported in 1936 in the total quantity of 909,943 pounds (£17,267): United States, 545,970 pounds (£8,962); Canada, 241,632 pounds (£5,144); United Kingdom, 66,910 pounds (£1,632); Japan, 36,254 pounds (£604); and Norway, 8,801 pounds (£290). Import duties are ad valorem 10 per cent and 20 per cent British preferential and general tariffs respectively.

## NEWSPRINT

Of paper for printing, total imports were valued at £15,058: Canada, £11,552; United States, £1,610; United Kingdom, £1,311. Nearly all these imports were newsprint, which is free of duty irrespective of country of origin; printing paper for other purposes is dutiable at the rate of 15 per cent ad valorem under the British preferential tariff and 20 per cent under the general tariff. The establishment of another daily newspaper in Kingston, for which plans are well advanced, should increase the Jamaican demand for newsprint.

## MARKET FOR POTATOES IN THE EASTERN GROUP OF THE BRITISH WEST INDIES AND BRITISH GUIANA

G. A. NEWMAN, ASSISTANT TRADE COMMISSIONER

Port of Spain, Trinidad, September 2, 1937.—There is a steady demand for Canadian potatoes in the Eastern Group of the British West Indies and British Guiana. Small sizes are favoured in all these colonies with the exception of Barbados, which fact, combined with the advantage of British preferential tariffs and the absence of unduly keen competition, renders the markets of British Guiana, Trinidad, and Barbados of interest to Canadian shippers. These colonies, which all lie within the same general area, constitute, after the United States and Cuba, the third largest export market for Canadian potatoes.

## IMPORTS

The following tables show imports into this territory for the years 1934 to 1936.

*Trinidad*

	1936		1935		1934	
	Cwt.	\$	Cwt.	\$	Cwt.	\$
Canada . . . . .	48,085	91,631	66,270	95,120	36,220	46,152
Holland . . . . .	17,191	26,478	7,224	11,127	28,397	36,748
Portugal . . . . .	2,027	5,848	692	1,735	.....	.....
United States . . . . .	1,242	2,550	525	1,052	4,603	5,966
United Kingdom . . . . .	1,241	2,370	.....	.....	3,655	4,694
Other countries . . . . .	1,540	3,127	617	979	15,457	21,672
Total . . . . .	72,326	132,004	75,328	110,013	87,334	115,334

*Barbados*

	1936		1935		1934	
	Lb.	\$	Lb.	\$	Lb.	\$
Canada . . . . .	1,423,041	17,928	3,063,615	36,763	1,373,061	13,732
Holland . . . . .	908,635	11,448	530,582	6,364	630,578	6,307
Irish Free State . . . . .	38,762	489	134,792	1,617	409,806	4,099
Northern Ireland . . . . .	13,100	163	48,128	576	1,001,415	10,012
United Kingdom . . . . .	210,538	2,654	52,030	624	375,923	3,758
Other countries . . . . .	1,574	19	1,800	5	161,463	1,612
Total . . . . .	2,595,651	32,702	3,830,957	45,969	3,952,246	39,523

*British Guiana*

	1936		1935		1934	
	Lb.	\$	Lb.	\$	Lb.	\$
Canada . . . . .	4,403,381	79,653	6,895,236	103,332	5,066,279	79,903
Holland . . . . .	2,332,725	34,577	763,280	14,149	988,338	19,732
British West Indies <sup>1</sup> . . . . .	344,870	5,125	459,474	7,004	666,452	10,139
Irish Free State . . . . .	70,000	1,248	43,423	648	.....	.....
United Kingdom . . . . .	73,308	1,192	25,353	400	1,348,963	19,813
Other countries . . . . .	110,921	2,925	76,017	2,115	19,250	322
Total . . . . .	7,335,205	124,720	8,262,783	127,668	8,262,966	132,953

<sup>1</sup> Sweet potatoes.

In addition to the foregoing, the Leeward and Windward Islands took about five per cent of the total imports of the Eastern group and British Guiana. Imports into the Leeward Islands of Antigua, St. Kitts, Dominica, Montserrat, and Virgin Islands were valued at £2,051 in 1934 and £1,555 in 1935. Imports into the Windward Islands of St. Lucia, Grenada, and St. Vincent were valued at £1,230 and £1,360 for the years 1934 and 1935 respectively.

It will be noted from the above tables that while there was a very favourable increase in imports into all the markets in 1935, there was a decided falling off in 1936, due to a shortage of Canadian supplies during that year and high prices.

## COMPETITION

The only serious competition with which Canadian shippers have to contend is from Netherlands exporters. Shipments from this source usually reach their peak during June to September; thereafter supplies from Canada dominate the market. Climatic conditions are not conducive to domestic production, so that consumption is reflected almost entirely in imports. At the same time, certain ground products, such as Chinese edoes, yams and sweet potatoes, which are plentiful from November to January, exercise a limiting influence on the potato market during the period when they are available.

Aside from competition offered by the Netherlands, and to a lesser extent by the United Kingdom and Ireland, Canadian shippers lack the advantages of a common agreement among individual shippers to adopt and adhere to a more uniform sales practice.

## MARKETING

Imported potatoes are usually consigned to local agents who sell on commission to wholesalers. Prices are quoted c.i.f. port of arrival and include a commission of 10 cents per barrel of 160 to 168 pounds, or 5 cents per bag of 90 pounds, the usual terms being fifteen- to thirty-day drafts, documents on acceptance. As a result of keen competition, shippers in many instances accept the practice of guaranteeing the quality of shipments on arrival.

While the above-mentioned terms are applicable to most of the West Indian markets, there are one or two exceptions. In Barbados, potatoes are imported through commission houses acting as principals. Netherlands shippers to British Guiana allow their agents 5 per cent commission and guarantee the safe arrival



of shipments as well as making an allowance for the reconditioning of the shipment. When claims amount to less than \$24, the agent's certification is accepted by the shipper, but claims over \$24 must be supported by a Lloyd's Survey Certificate or one from the representative of the Amsterdam Underwriters' Association.

#### PRICES

This season Netherlands potatoes have been quoted in Trinidad at 4s. 2d. per crate of 30 kilos (66 pounds), and 6s. per 50 kilos (110 pounds), c.i.f. Port of Spain, or about \$2.43 per 110 pounds. In Barbados on August 14 these potatoes were being quoted at 5s. 3d. to 5s. 5d. per bag of 50 kilos, and 5s. 2d. to 5s. per bag of 50 kilos, c.i.f. Georgetown, British Guiana.

New season Canadian potatoes, which are beginning to arrive on the West Indies markets, have been sold at about \$2.75 per 160-pound barrel c.i.f. Port of Spain or Georgetown, thirty-day sight draft, documents on acceptance, quality guaranteed.

#### QUALITY AND SIZE OF POTATOES

It is estimated that on the average potatoes cost about 2 cents per pound landed Port of Spain; 2½ cents per pound wholesale, and from 3 to 3½ cents per pound retail. For this price the natives like to obtain from five to six small potatoes, consequently the demand has been for a medium-sized or an Eastern Canada No. 1 small potato, which has been defined as being not less than 1¾ inch or more than 2¼ inches in diameter. Towards the end of the season, when the quality of small potatoes is questionable, there is a moderate demand for the larger size. Tropical temperatures require that the potatoes be firm and free from blemishes. A potato with a light skin is favoured.

Barbados differs from Trinidad in that the former market prefers a potato of larger size than a No. 2 or Eastern Canada No. 1 small.

#### PACKING

With the present practice of guaranteeing quality on arrival, it is important that the best method of packing be adopted with a view to maintenance of quality in transit. Canadian potatoes arrive on the Trinidad market packed in 160-pound barrels (net weight) and 90-pound bags; in Barbados the trade is largely in bag shipments, and in British Guiana the bulk of the imports appear to be in barrels.

The extremely warm, humid atmosphere of the rainy season during the months of July and August renders this period a difficult one for the importation of Canadian potatoes in good condition, and Canadian shippers are advised to refrain from shipping during these months. During June and September the use of barrels rather than bags is recommended. It has been found that new-season potatoes of heavy moisture content and delicate skins are easily damaged in bags, resulting in claims by importers on account of decay. At the end of the season also the result of storage in bags for long periods is seen in deterioration of the potatoes and breakages in the bags.

Netherlands potatoes, which are firmer and have tougher skins than the Canadian product, arrive on the British West Indies markets in both bags and crates (except Barbados, where shipments in bags predominate). The crates, measuring 17¼ inches by 13¾ inches by 11½ inches, and containing 25 to 30 kilos of potatoes, are well regarded by the trade in Trinidad and British Guiana. Made with 2½-inch slats on sides and ends and bound at the ends with metal strapping, they permit of free ventilation and, as the weight of potatoes in a container is not excessive, the possibility of sweating and decay, which has been evident in a number of the heavier barrel shipments, is reduced.

Provided it would not materially increase packing and shipping costs packing in crates merits the attention of Canadian shippers.

A moderate improvement in barrel shipments might also be effected by boring holes in the sides of the barrel at irregular intervals. This has been done in the case of barrel shipments received recently.

GUARANTEE OF SHIPMENTS

While there are justifiable reasons for importers requiring that potatoes be guaranteed as to quality on arrival, nevertheless there are certain factors which render it desirable that such a guarantee be given only under specified conditions.

It has been found that potatoes which were in good condition on being opened immediately after arrival began to sweat and decompose within a few hours of storage in local warehouses. There is also a tendency among certain merchants to resort to claims in the face of adverse market conditions and for firms to be influenced by the action of their competitors.

For these reasons, therefore, it is suggested that Canadian shippers safeguard their interests by stipulating that on each order accepted by them it shall be clearly indicated that all claims must be made within forty-eight hours of landing of shipment, and that claims can be made only on the complete acceptance of shipment.

DUTIES

The preferential tariff on potatoes entering Trinidad (applicable to Canada) is 15 cents per 100 pounds. The general duty is 90 cents per 100 pounds. Since 1935 there has been no surtax in Trinidad.

In Barbados the preferential duty is 6d. per 100 pounds, while the general rate is 2s. 6d. A surtax of 10 per cent of the duty is added.

The preferential duty in British Guiana is 40 cents per 100 pounds and the general rate is 80 cents. A surtax of 30 per cent of the duty is added together with a bill of entry tax of 3 per cent ad valorem.

IMPORTS OF POTATOES INTO BERMUDA

R. G. C. SMITH, ASSISTANT TRADE COMMISSIONER

New York, September 10, 1937.—Bermuda absorbs a regular quantity of Canadian seed and table potatoes each year. The following table gives the imports from Canada and the United States for the last five years:—

	United States		Canada		Total Imports
	Seed	Other	Seed	Other	
	Figures in Bushels				
1932 . . . . .	7,991	198	12,836	30,127	51,152
1933 . . . . .	1,237	1,016	13,821	17,924	33,998
1934 . . . . .	6,309	1,022	11,542	10,841	20,714
1935 . . . . .	410	174	16,214	13,663	30,461
1936 . . . . .	1,835	456	10,861	33,355	46,507

Imports of seed from Canada and from the United States do not compete with each other. No exact data of acreage planted are available, but it is estimated that there are about 300 acres under production. There are two main crops planted each year, the first in September and the second from January to March, harvest being in December to January and April to May respectively. Canadian seed is not available for the first planting, requirements being supplied from Long Island and consisting principally of the Bliss Triumph variety. The second crop takes Canadian seed, principally of the Irish Cobbler and Katahdin varieties.

The heavy increase in imports of table stock in 1936 was occasioned through a crop failure in Bermuda.



The local production may be said to depend to a considerable extent on the markets that can be found for the crop in the United States, Canada, or the West Indies. Efforts are being made, however, to open up the English market to Bermuda potatoes, and to this end seed of the Royal Kidney variety is being grown in Nova Scotia for planting on the Islands.

#### POTATO EXPORTS

The export trade in Bermuda potatoes affords the only real opportunity for increasing Canadian shipments to the islands, and the following figures of potato exports from Bermuda are therefore of interest:—

	1932	1933	1934	1935	1936
	Figures in Bushels				
Total . . . . .	51,053	41,130	48,827	36,471	24,087
Canada . . . . .	4,835	11,033	14,414	13,953	4,372
United States . . . . .	46,031	28,250	22,813	20,465	19,296
West Indies . . . . .	187	1,847	1,600	2,053	283

The foregoing table does not indicate any trend toward a greater demand for seed, in fact it would seem that the export trade in Bermuda potatoes is becoming of less importance. This does not indicate any loss of interest, but is undoubtedly caused by lower yields through unsatisfactory growing conditions.

#### DUTIES

Imports of seed from all sources are free of duty, whereas table stock from all sources is dutiable at 4s. per bushel, with a surtax of 25 per cent of the duty on imports from countries not entitled to the British preferential rates.

### AUSTRALIAN OVERSEAS TRADE

L. M. COSGRAVE, CANADIAN TRADE COMMISSIONER

Sydney, August 19, 1937.—The preliminary figures covering the overseas trade of Australia for the fiscal year ended June 30, 1937, have recently been made available by the Commonwealth statistician.

The satisfactory position occupied by Australia in respect of her overseas trade is fully indicated by the favourable commodity balance for the year under review amounting to £stg. 26,173,000, an increase of £stg. 11,630,000 over the favourable balance of £stg. 14,543,000 for the year ended June 30, 1936.

Including shipments of bullion and specie, the favourable balance amounted to £stg. 35,657,000 as against a favourable balance of £stg. 23,655,000 in the previous year. These figures emphasize the striking benefit which Australia has derived from the revival of the gold mining industry, as the gold balance accounted for more than 25 per cent of the total favourable balance for the year and, as in the case of South Africa and Canada, provides a welcome addition to the extremely satisfactory shipments of wool and wheat, Australia's main primary products.

The following table indicates movements of merchandise and of bullion and specie for the period under review:—

	1935-36 £stg. 1,000	1936-37 <sup>1</sup> £stg. 1,000
Merchandise—		
Exports . . . . .	98,064	116,658
Imports . . . . .	83,521	90,485
Commodity balance . . . . .	14,543	26,173
Bullion and specie—		
Exports . . . . .	10,843	11,533
Imports . . . . .	1,731	2,049
Bullion and specie balance . . . . .	9,112	9,484
Total balance . . . . .	23,655	35,657

<sup>1</sup> Preliminary figures, subject to revision.

It is of further interest to note that monthly imports during the last two fiscal years have shown remarkable steadiness, varying in the case of 1935-36 from £stg. 6,400,000 to £stg. 8,000,000; while during 1936-37 the monthly averages varied from £stg. 6,100,000 to £stg. 8,400,000.

Exports of Australian merchandise are, of necessity, of a more seasonal nature, showing variations from £stg. 4,300,000 to £stg. 11,600,000 in 1935-36 as compared with £stg. 4,700,000 to £stg. 13,700,000 in 1936-37.

### AUSTRALIAN IMPORTS

A review of the figures covering imports shows that increases occurred in the following main classes (figures shown in units of £stg. 1,000):—

Foodstuffs of animal origin, from £1,413 to £1,510; foodstuffs of vegetable origin, from £3,215 to £3,801; tobacco and preparations thereof, from £1,614 to £1,715; live animals, from £168 to £217; vegetable substances and fibres, from £2,256 to £2,891; textiles, from £12,649 to £13,245; yarns and manufactured fibres, from £2,973 to £3,052; oils, fats, and waxes, from £6,691 to £7,643; paints and varnishes, from £491 to £575; machines and machinery, from £9,528 to £11,544; metals and manufactures, from £15,679 to £15,727; rubber and rubber manufactures, from £1,048 to £1,675; leather and leather manufactures, from £138 to £158; earthenware, cements, china, glass, etc., from £1,690 to £1,753; paper, from £3,507 to £4,162; jewellery, timepieces, and fancy goods, from £1,195 to £1,260; optical, surgical, and scientific instruments, from £1,218 to £1,283; drugs, chemicals, and fertilizers, from £4,370 to £4,520; miscellaneous, from £5,498 to £5,912.

Decreases in imports occurred in the following main classifications:—

Spirituous and alcoholic liquors, from £696 to £633; animal substances, not foodstuffs, from £1,488 to £1,467; apparel and attire, from £1,670 to £1,656; wood and wicker, from £1,935 to £1,791; stationery, paper manufactures, from £1,789 to £1,742.

In view of the marked increase in secondary industries throughout the Commonwealth, it is interesting to note the comparatively few decreases shown in the foregoing official statistics. The main conclusion to be drawn, therefore, is that the present Australian prosperity is well diversified and applicable to all parts of the Commonwealth.

### ITEMS OF INTEREST TO CANADA

Of the principal commodities which showed increases during the year under review, the following are of interest to Canada (in units of £stg. 1,000):—

Fish, from £1,094 to £1,165; sausage casings, from £254 to £274; gums and resins, from £296 to £376; pulp for papermaking, from £254 to £343; trimmings and ornaments, from £333 to £361; carpets and linoleums, from £1,565 to £1,717; piece-goods—(a) cotton and linen, from £4,385 to £4,572; (b) silk or containing silk, from £2,717 to £2,875; (c) velvets and velveteens, from £243 to £284; yarns—(a) artificial silk, from £605 to £625; (b) cotton, from £436 to £455; paints and colours, from £474 to £560; cable and wire covered, from £904 to £1,075; dynamo electric machines, from £515 to £573; dairying machinery, from £151 to £185; metalworking machinery, from £532 to £792; motive power machinery, from £1,897 to £2,798; yarn- and textile-making machinery, from £390 to £518; plated ware and cutlery, from £483 to £511; printing paper, from £2,032 to £2,595; wrapping paper, from £247 to £297; cyanides of potassium and sodium, from £129 to £163; toys, from £165 to £191.

Decreases in imports during the year under review in the principal commodities of interest to Canada were as follows:—

Whisky, from £554 to £490; mining machinery, from £238 to £168; printing machinery, from £346 to £282; sewing machines, from £324 to £272; iron and steel bars, rod, hoop and ingot, plate and sheet (a) galvanized corrugated, from £215 to £99; (b) plain, from £712 to £599; lamps and lampware, from £253 to £212; cycle and cycle parts, from £594 to £572; motor chassis and parts, from £6,349 to £6,238; timber (undressed), from £1,429 to £1,270; crockery and household ware, from £533 to £510; dyes, from £316 to £267; vacuum cleaners and household brushware, from £182 to £153.



The above decreases may be considered directly attributable to increased production and efficiency of local industries and materials, though a number of items were naturally affected by the Trade Diversion Act, promulgated in May, 1936, as the year under review fully covers the period of restriction.

Details of imports by countries are not yet available, but in general Canada has participated to an important extent in the increased imports, and, with the exception of motor chassis and parts, has not been adversely affected in the decreased imports shown above.

### AUSTRALIAN EXPORTS

The healthful condition of Australia in regard to her main exportable commodities is indicated by the following increases recorded in the value of exports (in Australian pounds; one £A. equals approximately \$4 Canadian) during the year under review, as compared with values for the previous year (shown in parentheses):—

Cheese, £384,027 (£337,467); eggs, £974,334 (£918,062); beef, £3,027,236 (£2,481,896); lamb, £4,446,801 (£4,020,163); mutton, £766,851 (£445,589); meats preserved in tins, £303,211 (£196,982); milk and cream, £851,770 (£722,301); currants, £441,296 (£375,520); raisins, £1,541,492 (£1,501,146); citrus fruits, £228,359 (£188,255); fruits preserved in liquid, £1,010,955 (£805,887); barley, £531,603 (£369,391); flour, £5,596,250 (£4,519,882); sugar, £2,887,589 (£2,175,504); wine, 4,089 (£3,710); cattle hides, £1,231,208 (£752,059); sheep skins, £3,805,717 (£2,824,453); wool, greasy, £55,178,837 (£45,206,412); wool, scoured, £6,817,797 (£5,734,445); wool tops, £532,574 (£404,704); tallow, £810,777 (£662,279); zinc concentrates, £796,788 (£534,244); machines and machinery, £988,683 (£740,126); iron and steel, manufactured, and partly manufactured, £990,389 (£614,016); lead, pig and in matte, £5,073,360 (£3,837,381); zinc, bars, blocks, etc., £1,314,026 (£905,339); leather, £892,018 (£641,314); timber, £952,620 (£867,463); gold, £13,724,000 (£12,528,000).

Decreases were recorded in the export value of the following principal commodities:—

Butter, £7,716,000 (£9,833,000); rabbits and hares, £120,000 (£244,000); fresh apples, £1,345,000 (£1,495,000); jams and jellies, £106,000 (£135,000); kangaroo skins, £151,000 (£242,000); rabbit and hare skins, £1,649,000 (£1,745,000); silver, £690,000 (£1,206,000).

It will be noted that the foregoing represented a marked improvement in percentage value in practically all the main commodities which constitute Australia's chief prospect for wide overseas sales, whereas the decreases (with the exception of butter, due to unusual climatic and drought conditions) were comparatively slight and affected limited areas only.

### DECLARED UNIT VALUES

A comparison of the average prices computed from the declared export values of the principal commodities shows that average prices were higher in June, 1937, than in June, 1936, for wool, both greasy and scoured, sheep skins, wheat, flour, sugar, wine, beef, tallow, pig lead, zinc bars, and gold; while lower average prices were recorded for butter, raisins, lamb and mutton.

As an indication of the relative importance of the various States of the Commonwealth in regard to imports, it is noted that, of the total value of imports (£stg. 92,533,787), New South Wales absorbed £40,831,071; Victoria, £32,609,083; Queensland, £6,908,201; South Australia, £5,438,287; Western Australia, £5,659,133; Tasmania, £1,032,434; Northern Territory, £55,578.

A particularly gratifying result of the foregoing year's favourable trading is that government and local government requirements, including sinking funds in the service of overseas debt commitments, absorbed approximately £stg. 27,000,000 which, as a result of the favourable balance, amounting to £stg. 35,657,000, permits an additional reserve of £stg. 8,000,000 to amplify existing London funds.

## ECONOMIC CONDITIONS IN BRITISH MALAYA

K. F. NOBLE, ACTING TRADE COMMISSIONER

(\$81 equals 58 cents Canadian; one picul equals 133½ pounds; one ton equals 2,240 pounds)

Singapore, August 14, 1937.—The improvement in economic conditions which commenced in British Malaya during 1932 continued during the first half of 1937. Revenues of the Straits Settlements, Federated Malay States, and Unfederated Malay States Governments exceeded the increases anticipated in the 1937 budget. Total trade, exports and imports, have all made impressive gains. Cargo movements, both inward and outward, have been heavier, with advanced rates resulting in increased revenues for the shipping companies.

The production and sale of rubber and tin, the basic products of Malaya, were well maintained. The past half-year witnessed the advance of rubber prices to the highest in six years, while quotations for tin advanced to the second highest on record. Increases in wages for manual labour range from 10 to 50 per cent.

### GOVERNMENT REVENUE

A statement of the revenue and expenditure of the Federated Malay States is available for the period January 1 to May 31 only, during which revenue from all sources amounted to \$35,256,684 as against a budgeted revenue of \$25,444,999, and actual revenue in the previous year of \$29,365,801. Of sixteen sources of revenue, only four—excise, receipts from government services, receipts from water sale, and timber royalties—did not exceed estimates. The total of these deficiencies amounted to about \$1,000,000, whereas customs receipts alone exceeded the budget estimate by almost \$7,000,000 and the revenue for the similar period of last year by \$5,000,000.

### FOREIGN TRADE

The total value of Malaya's trade for the half-year is \$798,436,000, an increase of 49 per cent over the figure of \$535,611,000 for the similar six-month period of the previous year. Gross imports for the half-year were valued at \$344,628,000, an increase of 43 per cent over the total of \$240,377,000 for the first half of 1936, while gross exports were valued at \$453,808,000, an increase of 53 per cent over the 1936 figure of \$295,274,000.

### SHIPPING

A total of 3,257 vessels, with a net tonnage of 8,250,370, entered the ports of British Malaya during the January-June period of 1937 as against 3,145 vessels with a registered net tonnage of 7,631,267 in the corresponding months of 1936. Great Britain was the principal country of registry with 914 bottoms and a net tonnage of 2,530,038 (2,381,879 tons in January-June, 1936). Dutch vessels to the number of 1,143, with a net total of 2,018,994 tons (1,772,314), supplied the second largest tonnage, while Japan was third place with 351 vessels and a net tonnage of 1,474,142 (1,274,830).

The extensive shipments of rubber and tin taxed the capacity of the ships of the several conference lines serving Malaya, and as a result all conference groups but that covering the east coast of Australia advanced their tariffs.

### COST OF LIVING INDEX

The cost of living index for British Malaya advanced slightly during the half-year. On the basis of 1914 equals 100, the June index advanced to 125.4 from 124.5 for European standards and from 106 to 108.9 in the Asiatic schedule.



## Mining

The mining field is dominated by the tin industry, in which over 97·5 per cent of Malaya's mining capital, amounting to \$157,879,668, is invested. Tin accounts for about 26 per cent of Malaya's exports.

The total value of tin produced in the Federated Malay States during the half-year ending June was \$76,497,922, while government revenue from export tax was \$9,838,179 as against \$6,398,160 in the 1936 period. The output was officially placed at 812,768 piculs (681,236 piculs in 1936). Labour staff increased by 9 per cent from 78,414 on January 1 to 85,676 on June 30, at which date ninety-four dredging equipments were in operation.

Production of tin, on a content adjusted basis of 75·5 per cent pure tin, amounted to 36,366 tons as against 33,919 tons in the previous six months and 30,406 tons in the first half of 1936.

Production tonnage for coal has improved substantially, the net output being 326,930 tons as compared with 226,939 in the corresponding six-month period of 1936.

Gold production appears to have declined slightly, the output being 17,145 ounces, or 45 per cent of the 37,779 ounces produced in the calendar year 1936.

## Immigration

The net population gain of 112,836 resulted during the half-year from the arrival of 385,881 labourers. The net population increase is 50 per cent higher than during the similar period of 1936, when the increase was 82,809, and is in part explained by the relaxation of the immigration laws, effective in March, for the purpose of increasing the supply of plantation labour.

## Export Commodities

### RUBBER

The rubber quota for the first half of the year amounted to 228,227 tons against a production of 230,741 tons and total exports of 217,072 tons. Despite the increase in the exportable quota from 75 per cent in the first three months of the year to 80 per cent during the second quarter, Malaya was able to produce her quota, and in fact over-produced by 2,504 tons during the half-year. When this is added to her unexported carry-over from 1936 there is a present under-exported volume of 13,452 tons.

The price of spot standard smoked sheet rubber was 37½ cents on January 1 and 31½ cents on June 30; the highest and lowest prices prevailing during the period were 45½ cents (on March 12) and 31 cents. Substantial forward contracts, until as late as December, 1938, were placed as high as 46 cents Singapore.

The Singapore remilling industry has improved substantially during the period, with over 60 per cent of the machinery in operation as against 5 per cent at the commencement of the year.

### PINEAPPLE

In this commodity there was carry-over from 1936 of approximately 400,000 cases. The rate of production during the first half of 1937 was about the same as for the similar period of 1936, the respective figures being 46,727 tons valued at \$5,110,559 and 46,207 tons valued at \$5,143,599. Prevailing prices have been unsatisfactory, having declined by about 28 cents from an average of \$3.28 for last year to \$3 during May and June.

In an attempt to better the position of the pineapple packers, an extension to the Pineapple Industries Ordinance, standardizing the pack in tins of seven sizes, has been given government sanction with effect as from March 1, 1938. A further step in the standardization of the pack is forecast for the immediate future, when a scheme of voluntary grading will be adopted.

## TRADE WITH CANADA

According to the figures of the Dominion Bureau of Statistics, exports from Canada to British Malaya in the first four months of 1937 were valued at \$1,133,147 Canadian, an increase of about 240 per cent over the figure of \$409,581 for the similar period of 1936. The increase has been general over a range of products including passenger cars and trucks, tires and tubes, canned soups, canned fruits and vegetables, canned and frozen fish, fresh vegetables, and evaporated milk. The principal gain, however, is attributable to increased shipments from Canada of private and commercial vehicles, tires, tubes, and automobile accessories.

Malayan trade statistics for the first six months of 1937 show imports of 3,315 passenger cars (\$4,099,191) and 1,732 commercial vehicles (\$1,690,835) as compared with 2,154 passenger cars (\$2,736,325) and 624 commercial vehicles (\$658,696) in the corresponding period of 1936. Of these totals Canada is credited with 700 passenger cars (\$849,489) and 1,149 commercial vehicles (\$1,037,491) in the 1937 period as against 353 passenger cars (\$461,183) and 410 commercial vehicles (\$395,269) in the similar period of 1936.

## AIR SERVICES

Commencing on April 29, air mail facilities direct to Canada via Pan-American Airways were initiated. A further development was the opening of Singapore airport, probably the largest commercial landing ground in the world. An all-first-mail-by-air scheme, to begin on October 1, has been announced by Imperial Airways, which will bring Malaya two weeks closer to the British Isles. Internal air service between Singapore, Kuala Lumpur, and Penang commenced during June.

## TRADE COMMISSIONERS ON TOUR

The following Canadian Trade Commissioners are now on tour in the Dominion: Mr. B. C. Butler, Singapore, Straits Settlements (whose territory covers the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India); Mr. J. H. English, London, England; and Mr. F. W. Fraser, Kingston, Jamaica (whose territory covers Jamaica, Haiti, the Bahamas, and British Honduras). Their itineraries are as follows:—

## Mr. Butler

Ottawa . . . . .	Sept. 28 to 30	Quebec City . . . . .	Oct. 11
Halifax . . . . .	Oct. 4 and 5	Granby . . . . .	Oct. 12
Kentville, Bridgetown and Wolfville . . . . .	Oct. 6	Montreal and district . . . . .	Oct. 13 to 28
Saint John . . . . .	Oct. 7 to 9	Perth and Smith's Falls . . . . .	Oct. 29 and 30

## Mr. English

Vernon . . . . .	Sept. 22	Ottawa . . . . .	Oct. 1 to 8
Kelowna . . . . .	Sept. 23	Grand'Mere, Que. . . . .	Oct. 11 to 14
Calgary . . . . .	Sept. 24	Belleville . . . . .	Oct. 15 and 16
Winnipeg . . . . .	Sept. 27 and 28	Toronto and district . . . . .	Oct. 18 to Nov. 6
Fort William . . . . .	Sept. 29		

## Mr. Fraser

Montreal and district . . . . .	Sept. 20 to Oct. 9	Winnipeg . . . . .	Oct. 18
Ottawa and district . . . . .	Oct. 11 to 14	Vancouver . . . . .	Oct. 20 to 30

Firms who wish to be brought in touch with the Trade Commissioners should communicate, for Vancouver and Winnipeg, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres with the respective Board of Trade or Chamber of Commerce.



## WHEAT AND FLOUR TRADE REGULATION IN EUROPEAN COUNTRIES<sup>1</sup>

### VI. Finland

RICHARD GREW, CANADIAN TRADE COMMISSIONER

#### WHEAT

Oslo, August 25, 1937.—The import of wheat into Finland is free of all restrictions other than the customs duties. The ordinary duty on wheat is 1·25 Finnish mark per kilo, which amounts to about 75 Canadian cents per bushel. The customs tariff provides, however, that millers who are using domestic wheat are entitled to import at a lower rate of duty a quantity of foreign wheat equivalent to the amount of domestic wheat milled. This lower duty has now been fixed at 0·90 Finnish mark per kilo, equivalent to about 54 cents per bushel in Canadian currency.

While the importation of wheat into Finland is not restricted except by the tariff, the trade in foreign wheat is closely supervised by the Government. Importers of wheat must, within three days after clearance, report in writing to the Government Grain Fund the quantity and country of origin of the wheat imported or, in cases where the latter cannot be stated, the commercial name or trade-mark under which the wheat is sold. Millers and others handling foreign wheat are obliged to keep records of each transaction, to advise the Grain Fund, and produce invoices and records for inspection when required.

#### MILLING REGULATIONS

The principal measures adopted by the Government for the relief of agriculture have taken the form of artificial maintenance of prices, the stabilization of indebtedness and the lowering of rates of interest, the granting of export premiums on certain foodstuffs, such as butter, eggs, cheese, and bacon, and the compulsory milling of Finnish grain.

With respect to the milling regulations, a law (No. 257) was passed on September 30, 1931, for the purpose of stimulating the market for domestic grain. The law stipulates that all flour mills grinding foreign rye and oats must also mill a certain quantity of domestic grain, and that imported rye flour must be mixed with locally milled flour. The specific quantities are determined periodically by the State Council, which has issued a series of decrees. The latest of these was No. 143 of April 2, 1936, which fixes the milling percentage for Finnish rye and oats at 5 per cent. Previously, however, the milling percentage for these grains had been 25 per cent. It should be noted that these regulations do not apply to wheat.

#### EFFORTS TO ENCOURAGE WHEAT PRODUCTION

The Finnish Government has endeavoured to promote an extension of the area devoted to wheat. This has been done by maintaining the price of wheat at a high level and by encouraging the milling of domestic wheat through the application of a high tariff on wheat flour. There are no direct subsidies to wheat farmers.

The Government, while holding the opinion that the milling protection that had been granted was sufficient, nevertheless considered that the customs concessions had not exercised sufficient influence on the cultivation of wheat. They

<sup>1</sup> Earlier reports in this series were published in the *Commercial Intelligence Journal* as follows: United Kingdom, No. 1748; Belgium, No. 1751; Germany, No. 1752; Norway, No. 1753; France, No. 1754.

therefore inserted in the Customs Law of December 28, 1934 (which introduced certain amendments in the customs tariff for the following year) the provision which entitled the local flour mills using domestic wheat to import, at a lower rate of duty, a like quantity of foreign wheat. As stated in paragraph one, this lower rate is now fixed at 0.90 Finnish mark per kilo, or 54 cents per bushel in Canadian funds. The lower rate was originally 1.10 Finnish mark, equivalent to 66 cents per bushel.

IMPORTS OF WHEAT

The following table shows the quantity of wheat imported into Finland by countries of origin for the years 1934, 1935, and 1936:—

Countries of Origin	1934 M. Tons	1935 M. Tons	1936 M. Tons
Soviet Russia . . . . .	4,416	958	1,695
Esthonia . . . . .	....	4,840	2,993
Latvia . . . . .	....	320	....
Poland and Danzig . . . . .	....	1,058	1,211
Sweden . . . . .	....	2,239	5,159
Denmark . . . . .	203	....	....
Germany . . . . .	2,559	....	....
Netherlands . . . . .	822	415	192
Belgium . . . . .	619	303	960
Great Britain . . . . .	659	....	....
France . . . . .	513	741	1,174
Hungary . . . . .	....	....	808
Czechoslovakia . . . . .	....	....	730
Bulgaria . . . . .	....	....	1,575
French Morocco . . . . .	....	499	....
Canada . . . . .	16,838	25,299	39,682
United States . . . . .	12,419	8,966	12,291
Brazil . . . . .	....	98	....
Argentina . . . . .	16,418	13,508	4,475
Australia . . . . .	125	....	101
Total . . . . .	55,643	59,246	73,074

Previous to 1934, countries of origin were not specified in the statistical returns but the total wheat imports for the years 1930 to 1933 were as follows: 1930, 850 metric tons; 1931, 12,826 tons; 1932, 31,115 tons; 1933, 40,807 tons.

Imports of wheat in 1930 were practically negligible, but as the capacity of the Finnish flour mills increased so also did the imports of wheat. From the foregoing table it will be noted that during the past three years Canada has been the principal source of supply. Considerable quantities are also shown as having come from the United States. As the United States had no export surplus during these years, it seems probable that the amounts credited to that country were actually wheat of Canadian origin. If this assumption is correct, Canada supplied 55 per cent of the total import requirements in 1934, 57 per cent in 1935, and 70 per cent in 1936. During 1934 and 1935 Argentina was also an important country of supply, but there was a considerable reduction in imports from that country during 1936.

WHEAT PRODUCTION

The following table shows the acreage sown to wheat in Finland, as well as the yield, for the years 1930 to 1936:—

	Acres	M. Tons	Bushels
1930 . . . . .	34,750	23,564	865,506
1931 . . . . .	45,197	30,497	1,120,155
1932 . . . . .	58,622	40,354	1,482,202
1933 . . . . .	91,308	66,961	2,459,478
1934 . . . . .	124,813	89,264	3,277,667
1935 . . . . .	174,329	115,217	4,231,920
1936 . . . . .	208,197	143,118	5,246,723



The noteworthy increase in the consumption of wheat in Finland is to a large extent at the expense of imported flour, as the capacity of Finnish flour mills has increased during the same period. No doubt an additional reason for the increased consumption has been the great improvement in the general economic situation of the country during the past three or four years.

During these seven years it will be seen that the production of wheat has increased sixfold and that the policy of the Government to promote the production of wheat has met with considerable success. The total increase in the acreage of cereal grains amounted to 386,322 between the years 1930 and 1936, of which the increase in the acreage sown to wheat amounted to 173,447, or approximately 45 per cent. Although the production of wheat is increasing at a more rapid rate than that of any other grain, it remains the smallest of the four main crops. The percentage production of wheat, rye, barley, and oats for the year 1935 was as follows (comparative percentages for 1930 being shown in parentheses): wheat, 8 (2); rye, 26 (27); barley, 14 (15); oats, 52 (56).

#### CONSUMPTION OF WHEAT

In the table below figures are given showing the quantity of wheat imported, the domestic production, and the total of these two, which is a rough approximation of the consumption:—

	Imports	Production	Consumption
	M. Tons	M. Tons	M. Tons
1930 . . . . .	853	23,564	24,417
1931 . . . . .	12,826	30,497	43,323
1932 . . . . .	31,115	40,354	71,469
1933 . . . . .	40,807	66,961	107,768
1934 . . . . .	55,643	89,264	144,907
1935 . . . . .	59,246	115,217	174,463
1936 . . . . .	73,074	143,118	216,192

#### WHEAT FLOUR

Until May 10, 1937, the imports of wheat flour into Finland were also free of official restrictions other than the high duties of Finnish marks 2.25 per kilo for bolted and granulated flour and Finnish mark 1.40 per kilo on unbolted whole wheat flour. In Canadian currency the duties amounted to approximately \$4.97 per bag of 100 kilos for bolted flour and \$3.09 per bag of 100 kilos for unbolted flour.

#### ANGLO-FINNISH AGREEMENT

On the above-mentioned date, however, an agreement came into effect between the Governments of Finland and the United Kingdom whereby a quantity of 19,850 tons of British flour, being the equivalent to the average of the quantities imported from the United Kingdom during the years 1935 and 1936, would be imported at the general rate of duty on wheat plus 0.60 Finnish mark per kilo. As the duty on wheat is Finnish mark 1.25 per kilo, the new duty amounts to Finnish mark 1.85 per kilo, or about \$4.05 per bag of 100 kilos, as compared to the former duty of \$4.97 per bag of 100 kilos.

In conformity with the principle of the most-favoured-nation treatment, all countries having a commercial treaty with Finland, and from which Finland had imported wheat during the years 1935 and 1936, are allotted a quota amounting to the average imports for the past two years at the lower rate of duty. The average imports of Canadian flour into Finland during 1935 and 1936 amounted to 2,320 tons, which is the quota allotted for Canadian flour for a period of one year from May 10, 1937. For any amounts imported above the specified quota during the course of a year the ordinary rate of Finnish marks 2.25 per kilo would apply.

## EFFECT OF HIGH DUTIES

It was intended that the high duties on imported flour would encourage the production of wheat in Finland, but it was also expected that the duties would stimulate the domestic flour-milling industry. In this latter regard they have been completely successful. The duties have resulted in an increase in the domestic milling capacity to such a point that now milling capacity exceeds total consumption. No statistics are available, however, to show the actual domestic production of flour.

## IMPORTS OF FLOUR

Until the year 1934 the countries of origin are not specified in the Finnish official statistics covering the imports of flour, but the following table shows the quantity imported and the countries of origin for the past three years:—

Countries of Origin	1934 M. Tons	1935 M. Tons	1936 M. Tons
Soviet Russia . . . . .	1,850	.....	.....
Poland and Danzig . . . . .	.....	172	266
Sweden . . . . .	.....	4	10
Germany . . . . .	6,679	3,092	131
Netherlands . . . . .	509	134	9
Great Britain . . . . .	25,826	22,742	16,926
France . . . . .	1,658	627	76
Hungary . . . . .	1,249	1,013	5,521
Bulgaria . . . . .	70	.....	.....
Canada . . . . .	2,263	2,404	2,237
United States . . . . .	2,245	1,486	919
Australia . . . . .	.....	55	.....
Total . . . . .	42,428	31,748	26,130

The total quantity of flour imported between the years 1930 and 1933 inclusive was as follows: 1930, 99,298 metric tons; 1931, 77,879 tons; 1932, 51,342 tons; 1933, 47,661 tons.

As will be seen from the above figures, the quantity of flour imported into Finland during the past seven years has declined steadily, from over 99,000 tons in 1930 to slightly more than 26,000 in 1936. Roughly, the imports in 1936 are one-fourth the quantity recorded for 1930.

The change in the wheat and flour trade of Finland is illustrated more clearly by the following table showing the total quantities of wheat and flour imported into Finland during the seven-year period 1930 to 1936:—

	Wheat M. Tons	Flour M. Tons
1930 . . . . .	850	99,298
1931 . . . . .	12,826	77,879
1932 . . . . .	31,115	51,342
1933 . . . . .	40,807	47,661
1934 . . . . .	55,643	42,428
1935 . . . . .	59,246	31,748
1936 . . . . .	73,074	26,130

The above table also illustrates the effect of the policy of encouraging the domestic milling industry.

From the preceding table it will be noted that the principal country of supply for imported flour has been the United Kingdom, although imports from that country have undergone a considerable decline in the past three years. Supplies from Canada have remained fairly steady, slightly more than 2,000 tons each year. Previous to the development of the Finnish flour-milling industry, Canada supplied considerably larger quantities of flour than at present. Imports from Hungary during 1936 increased to 5,521 tons from 1,013 tons in the previous year. Hungarian flour competes with the United Kingdom supplies, and during 1936 Hungary was able to quote exceptionally low prices.



**FOREIGN TRADE OF GERMANY, JANUARY TO JUNE**

J. C. MACGILLIVRAY, CANADIAN TRADE COMMISSIONER

(R.M.1 equals \$0.2382 at par)

Hamburg, August 25, 1937.—The values of both Germany's imports and exports have moved upwards during the first half of the current year when compared with the corresponding period of 1936. The former had a value of R.M.2,519,200,000 and the latter of R.M.2,711,400,000, leaving an export balance of R.M.192,200,000. The comparative figures for 1936 were: imports, R.M.2,111,200,000; exports, R.M.2,241,900,000; and export balance, R.M.130,700,000.

By principal commodity groups the increase in imports was most noticeable as regards foodstuffs of vegetable origin and industrial raw materials. Only in the case of foodstuffs of animal origin is a decline shown. In the case of exports also all groups show increased values with the exception of foodstuffs of both animal and vegetable origin, in which there were shrinkages of 16 and 12 per cent respectively.

By leading groups imports and exports during the first six months of 1936 and 1937 have been as follows:—

	Imports		Exports	
	January-June, 1936	1937	January-June, 1936	1937
Figures in Millions of Marks				
Total . . . . .	2,111.2	2,519.2	2,241.9	2,711.4
Living animals . . . . .	42.6	46.5	1.5	1.7
Foodstuffs of animal origin . .	229.7	217.6	4.5	3.7
Foodstuffs of vegetable origin	359.5	520.3	27.1	23.9
Luxury foods and beverages..	139.7	157.7	14.6	15.6
Industrial raw materials . .	795.8	936.7	197.3	262.7
Half finished goods. . . . .	358.6	437.4	223.9	252.0
Manufactured goods . . . . .	185.3	179.9	1,773.0	2,151.1
Returned goods. . . . .	.....	24.1	.....	0.7

As will be seen from the above table, imports this year increased by some 19 per cent as against the first six months of 1936. This was partly due to larger volume and partly to higher unit prices. In the groups which include living animals and foodstuffs there was an increment of 14 per cent in quantity and 22 per cent in price. Cereals more than any other commodity accounted for the increase. Owing to the shortage of home-grown wheat and rye comparatively heavy imports of bread grain became necessary. Supplies were obtained principally from the countries of Southeastern Europe and from Argentina.

The rise in raw material imports is a reflection of continued industrial expansion and the rearmament program. The more important commodities involved include ores and minerals, raw phosphate, and rubber. Cotton and wool remained at much the same level as in 1936. Among the semi-processed goods there were larger purchases of metals, sawn lumber, and wood-pulp.

In export trade there was an increase in value of approximately 21 per cent in comparison with 1936. Raw materials showed the sharpest ratio of increase, having gone up by roughly 33½ per cent in value and 22 per cent in volume. This is accounted for almost entirely by heavier coal shipments. There was also a larger volume of exports of manufactured goods, which, rather than better prices, was responsible for the 21 per cent increase in value shown in the preceding table.

## DISTRIBUTION OF TRADE

Germany's favourable trading position with European countries, with exports consistently in excess of imports, continued to improve during the period under review. A previously unfavourable balance with Asiatic countries was changed into a favourable balance, while with other parts of the world the excess of imports over exports was more marked than was the case during the first six months of 1936. The noticeable increase in the case of imports from Africa is accounted for by increased purchases of raw products from such sources of supply as the Belgian Congo and Rhodesia.

The German trade balance by continental areas in millions of marks, with comparative figures for the first six months of 1935 and of 1936, has been as follows:—

	Jan.-June, 1935	Jan.-June, 1936	Jan.-June, 1937
	Figures in Millions of Marks		
Europe . . . . .	+ 137.2	+ 386.1	+ 469.7
Africa . . . . .	— 87.6	— 80.0	— 116.5
Asia . . . . .	— 25.1	— 33.4	+ 5.3
America . . . . .	— 173.5	— 130.3	— 146.6
Australasia . . . . .	— 11.0	— 7.6	— 15.2
Non-specified . . . . .	— 3.2	— 3.1	— 7.8

Among European countries, France, the United Kingdom, the Netherlands, Sweden, Switzerland, and Belgium continued as Germany's leading customers, purchasing much more than they sold. A marked excess of imports over exports was noticeable in the case of all countries in America except Brazil, where there was an almost exact balance.

The following table shows Germany's trade with principal countries during the first half of 1937:—

*Foreign Trade, January to June, 1937*

	Imports	Exports
	Figures in Millions of Marks	
Belgium . . . . .	70.5	113.1
Denmark . . . . .	68.5	105.7
France . . . . .	77.1	152.9
Italy . . . . .	109.9	142.1
Netherlands . . . . .	92.6	222.1
Sweden . . . . .	7.9	124.1
Switzerland . . . . .	42.0	111.8
Soviet Union . . . . .	27.4	78.4
Union of South Africa . . . . .	39.6	34.9
India . . . . .	88.8	71.6
United States . . . . .	115.8	90.5
Canada . . . . .	19.2	14.5
Argentina . . . . .	108.5	63.1
Australia . . . . .	29.3	17.5

## TRADE WITH CANADA

Canadian trade with Germany continues to show the improvement which was first manifested in 1936. During the first six months of 1937 the value of imports from Canada reached RM.19,245,000 as against RM.9,751,000 for the corresponding period of 1936. Exports to Canada have also increased, the comparative figures being RM.14,481,000 and RM.10,690,000.

Detailed statistical information regarding individual products is not yet available, but from a study of such data as are obtainable it would appear that wool, fresh apples, wheat, and nickel accounted largely for the higher import figure.



Imports of leading commodities from Canada, in thousands of marks, during the first six months of 1936 and 1937 were as follows:—

	Jan.-June, 1936	Jan.-June, 1937
	R.M. 1,000	R.M. 1,000
Rye . . . . .	....	685
Wheat . . . . .	1,372	2,101
Grass seed . . . . .	....	264
Fresh apples . . . . .	....	1,778
Dried apples . . . . .	114	124
Fir logs . . . . .	152	232
Fir lumber . . . . .	13	232
Wood-pulp . . . . .	....	81
Frozen eels . . . . .	34	79
Cured salmon . . . . .	265	240
Wool . . . . .	352	2,289
Raw furs and skins . . . . .	175	116
Animal casings . . . . .	294	160
Raw asbestos . . . . .	546	1,271
Lead ore . . . . .	195	113
Nickel ore . . . . .	4,064	5,535

Principal exports from Germany to Canada are dyes, coal, and miscellaneous manufactured goods.

## GRAIN CROP CONDITIONS IN CENTRAL EUROPE

J. C. MACGILLIVRAY, CANADIAN TRADE COMMISSIONER

(One metric ton equals 2,204.6 pounds; one hectare equals 2.47 acres)

### GERMANY

Hamburg, September 2, 1937.—An official provisional estimate of Germany's 1937 cereal crop, based on the position at the end of August, has just been published. At that time the harvesting of the more important winter grains had been completed, although the cutting of the spring crop had not yet been finished.

According to this estimate the total cereal production of the Reich will be some 21,350,000 metric tons, which is about 500,000 tons or 2.4 per cent below the 1936 yield. The total bread grain outturn will be about 11,170,000 tons, in addition to 9,100,000 tons of barley and oats and 1,080,000 tons of mixed grain.

The average yield per acre of winter rye is below the standard of 1936. In addition, there is a decrease in the area sown in comparison with the preceding period. The acreage under rye, for instance, fell from 4,513,900 hectares to 4,182,600 hectares, while there was also a shrinkage in the wheat area from 2,085,300 hectares to 1,974,200 hectares.

The adjudged cereal production for 1937, in thousands of metric tons, together with comparative figures for the 1936 harvest, is as follows:—

	Estimate 1937	Yield 1936
	Thousands of Metric Tons	
Winter rye . . . . .	6,690	7,310
Spring rye . . . . .	0,080	0,070
Winter wheat . . . . .	3,840	4,100
Spring wheat . . . . .	0,460	0,320
Spelt . . . . .	0,100	0,100
Winter barley . . . . .	1,000	1,130
Oats . . . . .	5,680	5,620
Mixed grain . . . . .	1,090	0,940

### POLAND

Unfavourable weather during the month preceding the harvest has caused the Polish press, on the basis of reports received from all parts of the country, to revise on a more conservative basis its previous tentative estimate of the 1937 cereal crop in that country.

In general it is believed that the yield will be appreciably below the level of the preceding years and somewhat approximating that of 1932, which was a particularly poor year.

One journal gives the following information regarding conditions in the different parts of the republic:—

A good crop in Wolyna, with a yield that comes up to that of the previous year. A satisfactory harvest in the province of Cracow and Silesia, but some  $2\frac{1}{2}$  per cent below that of the preceding period. An average or somewhat over-average crop in the provinces of Vilna, Nowogrodek, Lublin, East Galacia, and Posen, with an outturn about 5 per cent below last year. A bad harvest in the provinces of Lodz and Kielce, with crops 10 per cent below those of 1936. A practical crop failure in the provinces of Biatystok, Plessien, and Pomorze, with an outturn 20 per cent less than last year.

The same newspaper estimates that for the different varieties of grain the yield will be as follows, comparative figures for 1936 being shown within parentheses: wheat, 1,900,000 metric tons (2,050,000); rye, 5,700,000 (6,350,000); barley, 1,000,000 (1,100,000); and oats, 3,400,000 tons (3,600,000).

With a contraction of over 1,000,000 tons in the production of these principal cereal varieties, it is improbable that Poland will have any appreciable surplus of grain for export during the current crop year.

#### CZECHOSLOVAKIA

The quantity of wheat available for export from Czechoslovakia during the current crop year will probably be small. The new crop is estimated at only 850,000 tons, with a carry-over at the end of July of roughly 325,000 tons. This includes a reserve stock of 250,000 tons.

#### HUNGARY

In Hungary also only a moderate cereal harvest is reported. Weather conditions during the harvest period were on the whole favourable, and the quality of the wheat is regarded as good. The volume of wheat produced is estimated at 1,910,000 metric tons in comparison with 2,380,000 metric tons in 1936.

The quality of the rye crop is only moderate, with a yield of 618,000 metric tons as against 710,000 tons a year ago. Similarly, barley and oats were rather poor. The outturn of the former was 476,000 tons and of the latter 241,000 tons in comparison with 650,000 tons and 260,000 tons respectively in 1936. On the other hand, there was a good yield of corn, potatoes, and sugar beets.

Moderate sales of new crop Hungarian wheat have already been made to Austria, while permits have also been granted covering an initial 10,000 tons to Switzerland.

#### AUSTRIA

Reports from Austria indicate that the 1937 grain harvest is on the whole below average. Harvesting has been completed in the more low-lying sections of the country and, while there has been an improvement on the midsummer estimate of quantity, it still remains below normal.

Among the principal cereals wheat is the most satisfactory both as regards volume and quality. Barley is fairly satisfactory as to quality but the volume is low, while rye is the least satisfactory of all in both these respects. Due to the abundant moisture in the early summer, grass crops are exceptionally good, while the potato harvest will also be above average.

In the mountain areas harvesting is still uncompleted, and therefore weather conditions can still exercise an important influence on the total cereal yield. In any event important imports will be necessary during the crop year which is now commencing.



## SUBSTITUTES FOR WHEAT FLOUR IN PORTUGAL

A. B. MUDDIMAN, CANADIAN TRADE COMMISSIONER

Milan, August 31, 1937.—The Portuguese Government, by decree-law No. 27,952, published in the *Diario do Governo* of Lisbon on August 14, 1937, sets forth the considerations which have induced the Government to authorize the use of adulterated wheat flour in Portugal as from September 15, 1937.

The wheat surplus from 1936 has been found to be about 17,000 tons less than was expected. With this year's mediocre crop following the disastrous crop of 1936, the Portuguese Government was faced with a wheat shortage.

### VISIBLE WHEAT SUPPLY

The present year's crop has been estimated at 395,000 tons which, though larger than last year's, is still below average. The surplus carried over from 1936 amounted to 43,000 tons; with the new crop and 4,500 tons of flour in millers' stocks less than 450,000 tons to meet all demands is available. The wheat required during the current year for food supplies is about 335,000 tons. This includes flour for bread, pastes, whole-wheat flour, and military supplies, but does not include the wheat needed for seeding purposes, agricultural consumption or supplies for Madeira.

According to the decree-law referred to above, the Portuguese Government, owing to lack of funds, is unable to contemplate a reversion to the old system of importing foreign wheat. Portugal's cereal food supply must be produced in Portugal, the Islands, and the Colonies.

### MAIZE AND RYE SUBSTITUTES

The Government has decided that it will be necessary to mix a proportion of maize or rye flour with the wheat flour employed for bread making or other alimentary purposes. It is estimated that the quantity of maize required will be nearly 30,000 tons. However, for the benefit of tourists and the sick, one quality of fine, pure wheat will be retained. The proportions of maize or rye to be used will be determined by the National Bread Institute. For second-quality flour in Lisbon and Oporto the proportion of maize or rye flour will be 12.5 per cent; in Coimbra (except Castelo Branco), 11.1 per cent; and in districts where only one type of flour is available, 12 per cent. Provision is made for raising the percentage to 20 of pure rye in districts where only one quality of flour is available. This, however, is subject to a decree of the Minister of Agriculture.

The necessary quantities of maize and rye are to be purchased by the National Federation of Wheat Produce. The rye is to be milled in the wheat mills and the maize in mills equipped with degerminators or under the direct control of the National Federation of Millers, in order to secure uniformity in the quality of the flour.

Any profits arising from these measures will be devoted to the encouragement of wheat culture, principally in the form of a bonus based on the quantity of fertilizer used in the next crop.

## MARKET FOR POTATOES IN HAITI

F. L. CASSERLY, OFFICE OF THE TRADE COMMISSIONER

(One gourde equals \$0.20 U.S. currency; one kilogram equals 2.2 pounds)

Kingston, Jamaica, September 6, 1937.—Although its population is at least twice as large as Jamaica's, Haiti's annual imports of table potatoes are slightly more than one-third those of the British colony. In Haiti, as in Jamaica, tropical fruits and vegetables are grown in wide variety and considerable abundance by the peasantry, for whom they are staple foods, being invariably cheaper than imported potatoes.

## IMPORTS OF TABLE POTATOES

The trade in the latter shows some decline during the past five years. In the fiscal year 1931-32 imports of table potatoes totalled 488,696 kilograms, valued at 117,500 gourdes; in 1932-33, 329,520 kilograms (81,479 gourdes); in 1933-34, 228,034 kilograms (71,423 gourdes); in 1934-35, 249,840 kilograms (61,910 gourdes); and in 1935-36, 226,065 kilograms (69,816 gourdes). Of the imports in 1933-34, Canada supplied 52,864 kilograms; of those in 1934-35, 26,712 kilograms; and of those in 1935-36, 80,816 kilograms. Statistics for 1936-37 are not yet available. The Haitian fiscal year ends on September 30.

The remainder of the imports in each of the periods mentioned came mostly from the United States, shipped from New York. Unlike the British colonies in this part of the world, Haiti has no direct shipping communication with Canada; hence shipments of Canadian potatoes must be routed via New York, an obvious disadvantage in the case of such perishable goods. Besides, Canadian potatoes have tariff preference in the British colonies, but not in Haiti.

In terms of Canadian weights and money the total import trade in 1935-36 was 497,343 pounds (or about 3,100 barrels of 160 pounds net), representing just under \$14,000.

## DUTIES AND PACKING

The duty, irrespective of country of origin, is 0.12 gourde per net kilogram, equal to slightly more than 1 cent per pound. There is a surtax of 10 per cent of duty, effective as from March 12 last. The standard wooden barrel of 160 pounds net is the usual container, and the trade, which is essentially a luxury one, is done in relatively small parcels by a number of retailers of food-stuffs. A list of these dealers is on file at the Department of Trade and Commerce, Ottawa, and is available to interested Canadian exporters on application, quoting file No. 26494. The large Haitian merchant houses do not as a rule handle potatoes.

Shipments of table potatoes entering Haiti must be accompanied by a sanitary certificate, signed by a qualified agent of the Government of the country of origin, attesting that the potatoes are free from infectious diseases and noxious insects, or that they were not grown in fields infested by such diseases or insects. The trade demands "Nos. 1 and 2" sizes, otherwise known in Haiti as "large and medium" and corresponding roughly with "Canada No. 1," "Canada No. 1 Small," and "Canada No. 2."

## SEED POTATOES

This is a small trade. Imports are not separately classified, but it has been ascertained that in the ten months ending July 31, 1937, a total of 5,351 kilograms of seed potatoes were brought into Haiti, entirely from the United States. This quantity, equal to about 75 barrels of 160 pounds, appears to indicate that local production is small. No statistics of the latter are available. As in nearly all tropical countries, seed potatoes cannot be produced satisfactorily in Haiti.

Imports must be accompanied by a sanitary certificate, as in the case of table potatoes. Bona fide imports of seed potatoes invoiced and verified as such are free of duty. The principal importer is the Government Agricultural College, Damien, Port-au-Prince.



## PANAMA MARKET FOR CHRISTMAS TREES

R. A. CAMERON, ASSISTANT TRADE COMMISSIONER

Panama City, R.P., August 19, 1937.—Inquiries are received seasonally from Canadian exporters regarding the possibility of marketing Christmas trees in Panama. Annual imports do not exceed \$3,000 in value. Pine trees are preferred, but as there is no domestic production of pine or of a suitable substitute, local requirements are all imported. Orders are usually placed in November for delivery in the Christmas season.

### SIZES AND PRICE RANGE

Trees are required to be from four to six feet in height, and range in price from 25 to 35 cents each f.o.b. port of shipment. These retail locally at from 75 cents to \$1.25 each. They are shipped in bundles of six, unwrapped and tied with string or twine, with the branches flat against the stem.

### SOURCES OF SUPPLY

Practically all of Panama's imports of Christmas trees are shipped from San Francisco, although quotations have been received recently from New York.

The trade is in the hands of two or three importers who sell wholesale to the local stores. The fact that most shipments are made on consignment has tended to discourage Canadian shippers from quoting.

### DUTIES AND RESTRICTIONS

The duty on Christmas trees imported into Panama is 15 per cent ad valorem. Panama regulations require the roots to be entirely removed, and a certificate of health must be provided in addition to and accompanying the usual documents. This may be in the form of the signed statement of an official of a Provincial or the Federal Government to the effect that the trees in question are not diseased, and may be in Spanish, French or English.

Interested Canadian firms are invited to communicate with the Canadian Government Trade Commissioner, Box 222, Panama, Republic of Panama.

## INCORRECT ADDRESSING OF LETTERS TO NETHERLANDS INDIA

Mr. K. F. Noble, Acting Trade Commissioner at Singapore, whose territory includes Netherlands India, reports that a number of letters for that territory are being incorrectly addressed. The principal cause for confusion lies in the use of the terms "Handel-Maatschappij," "Handels-Vennootschap," and "Handels-Vereeniging," each of which in Dutch is given before the name of the company has in general the significance "Trading Company," and is a term applicable to all limited liability companies. To obviate the certainty of communications being returned or sent to the Dead Letter Office, it is important that the full titles of the companies be given or, alternatively, the title apart from the above-mentioned terms. This latter is the more common practice and will prove satisfactory.

## TARIFF CHANGES AND CUSTOMS REGULATIONS

### Irish Free State

#### NEW DUTIES

Mr. James Cormack, Canadian Trade Commissioner in Dublin, advises that, by two orders of the Executive Council, new duties have been imposed on the following: all dolls (except rubber) exceeding 9d. in value, 50 per cent ad valorem flat rate, or 1s. each, whichever is the greater; tiles made wholly or partly of clay and surface glazed, dutiable at a flat rate of 50 per cent ad valorem. These duties are operative from August 25, 1937. There is a free-of-duty licensing provision for tiles.

Both dolls and tiles are now being produced locally.

#### IMPORT PROHIBITIONS AND NEW QUOTAS

Mr. James Cormack, Canadian Trade Commissioner in Dublin, advises, under date August 25, 1937, that the Executive Council have issued an order that metal sparking plugs and parts cannot be imported after that date except under licence and under a quota to begin on October 5 next. Copper washers, sample plugs, certain aviation plugs, and plugs forming part of a motor are excepted.

Orders have been made revoking Quota Order No. 19, and its schedule of sizes, and amending Quota Orders Nos. 1, 2, 14, and 15, which relate to pneumatic tires and tubes. The effect of the revocation and amendments will be to extend the prohibition, except under licence, to all sizes of tires and tubes for bicycles and motor cars. Licences to import will only be granted for such sizes as are not manufactured in the Free State by the Irish Dunlop Company, Limited, Cork. Quotas and quota periods are also fixed under the above four orders, the period in each case being from October 1, 1937, to March 31, 1938, as follows:—

New Quota and Quota Period	Previous Quota and Quota Period
4,000 motor covers (6 months)	1,500 ( 9 months)
15,000 cycle covers (6 months)	8,000 (12 months)
3,500 motor tubes (6 months)	4,000 ( 9 months)
11,500 cycle tubes (6 months)	4,000 (12 months)

### Australia

#### PREFERENCE IN PRIMAGE DUTY

With reference to the article appearing in *Commercial Intelligence Journal* No. 1754 (September 11, 1937), pages 495-6, information has been received that the rate of primage duty on goods under tariff items Nos. 110A5 (costumes, dresses, and robes), 178B2 (piston rings), and 180H (sparking plugs), when admitted at intermediate tariff rates (applicable to Canada from September 8, 1937), is 5 per cent ad valorem, but remains 10 per cent ad valorem on goods from all foreign countries.

#### MARKING REGULATIONS FOR TOWELS

Mr. J. P. Brophy, Australian Customs Representative in New York, writes under date September 9, 1937, that he has received advice respecting the necessary marking of the country of origin on cotton towels and towelling imported into Australia, as follows:—

(a) In the case of towelling imported in the piece, but so defined that cutting only is necessary to produce separate towels for sale purposes, each towel in the piece is required to be marked as to country of origin.



(b) In the case of (i) towelling which although defined for cutting up, e.g. by means of a line, also requires to be hemmed after cutting, and (ii) towelling not defined for cutting up, marking at the end of the piece will be accepted as satisfactory compliance with requirements.

Marking on each towel as regards towelling covered by (a) above will not be insisted upon before November 30, 1937.

#### CUSTOMS DECISIONS

Recent decisions of the Australian Department of Customs as to the classification of articles regarding which question had been raised include the following:—

Excavating machines of the shovel, back-filler, skimmer, grab, dragline, or similar types, wholly or partly revolving or self-propelling or wholly or partly revolving and self-propelling, including the motive power units incorporated therein—the whole machine is dutiable under Item 170A2. When of a working weight up to and including 45 tons (of 2,240 pounds) rates are 25 per cent ad valorem British preferential and 53½ per cent general tariff; rates are lessened for each ton in excess of 45 tons. (Formerly only machines of this description incorporating a crude oil engine as the motive power were dutiable as a whole at these rates.)

Canvas shoes, with rubber soles vulcanized or solutioned to the upper, without heels or with very low heels generally composed of rubber, are dutiable under Item 328. A former ruling admitting shoes of this description "with or without heels" under this item is cancelled. The British preferential rate is 1s. 2d. per pair or 20 per cent ad valorem, whichever is higher; rate to Canada by agreement 1s. 5d. per pair or 25 per cent, whichever is higher; rate to "most favoured" countries 2s. 2d. per pair or 37½ per cent, whichever is higher; rate to other countries outside the British Empire (includes, among others, United States and Japan) 2s. 4d. per pair or 40 per cent ad valorem, whichever is higher—all rates to increase as present Australian exchange depreciation may be lessened.

Splicing and bending machines (cask making) are dutiable at 45 per cent under the British preferential tariff (less reduction on account of exchange depreciation), and 65 per cent under the general tariff (Item 176F1). Formerly these machines were 25 per cent and 53½ per cent ad valorem under the respective tariffs, duties to increase as exchange depreciation might be lessened (Item 176M4).

Canadian goods under the items quoted above, when accompanied by the prescribed certificate of origin and consigned direct to Australia, are entitled to entry under the British preferential tariff (except under Item 328, for which rates to Canada are fixed by agreement).

### Union of South Africa

#### CHEESE REGULATIONS AMENDED

The Union of South Africa Government *Gazette* of July 30, 1937, announces that, by order of the Minister of Public Health, previous regulations respecting cheese are superseded by the following:—

1. Cheese shall contain not less than 45 per cent of milk fat in its water-free substance and be free from foreign fat. Cheese containing less than 45 per cent of milk fat in its water-free substance shall be deemed to be skim-milk cheese and labelled "Skim-milk Cheese" in Type B.

2. Cream cheese shall contain not less than 60 per cent of milk fat in its water-free substance and shall not contain any foreign fat or any preservative.

3. Cheese which is intended for immediate consumption in its fresh state, without being subjected to any process of pressing or ripening and which is manufactured from skim-milk and to which cream has been added, may be labelled "Skim-milk Cheese (Creamed)" in Type B, but such cheese must contain at least 20 per cent of milk fat in its water-free substance.

### Netherlands

#### IMPORT RESTRICTIONS ON HOSIERY

With reference to the article in *Commercial Intelligence Journal* No. 1702 (September 12, 1936), page 537, Mr. J. A. Langley, Canadian Trade Commissioner in Rotterdam, advises that according to a royal decree of August 30, 1937, during the period from September 1, 1937, to February 28, 1938, inclusive,

not more than 40 per cent of the average quantity of socks and hosiery imported from each exporting country per six months during the years 1930 and 1931 may enter the Netherlands. The previous quota was also 40 per cent. Special quotas may be granted to countries designated by the Ministry of Economic Affairs. A certificate of origin is required for entry of these commodities.

## Germany

### REDUCED TARIFF ON GRAINS EXTENDED

With reference to the notice in *Commercial Intelligence Journal* No. 1720 (January 16, 1937), page 89, concerning a reduction in duty, effective from January 1, 1937, until August 31, 1937, on wheat, rye, barley, and oats, when imported into Germany under government control, Mr. J. C. Macgillivray, Canadian Trade Commissioner in Hamburg, writes that the German *Reichszollblatt* of August 28 announced that this reduction is extended indefinitely. The effect is that the duty on wheat, rye, barley, and oats, when imported into Germany through an office designated by the Ministry of Food and Agriculture, will remain at the nominal rate of 1 reichsmark per 100 kilos (40 cents per 220 pounds). A report on German wheat and rye regulations appeared in *Commercial Intelligence Journal* No. 1752 (August 28, 1937), pages 369 to 375.

## Mexico

### ESTABLISHMENT OF PARTIAL FREE ZONE

Mr. S. G. MacDonald, Assistant Trade Commissioner in Mexico City, reports that by a Mexican presidential decree, effective from July 1, 1937, for a period of ten years, the Northern Territory of Lower California, Mexico, has been proclaimed a partial free zone. The following products, however, are excluded from the provisions granting duty-free admission of merchandise: flour, vegetable-lard compounds, canned fish, laundry soap, malt, alcoholic beverages, and beer.

### DUTY-FREE IMPORTATION OF WHEAT

Mr. S. G. MacDonald, Assistant Trade Commissioner in Mexico City, reports under date September 8, 1937, that by decree of June 29, a federal committee has been created, of which three members represent the Departments of Finance, National Economy, and Agriculture, and the others the wheat-growing areas of the northeast, north, and centre of the republic, to regulate the wheat market in Mexico. This committee is authorized to import wheat duty-free either for seed or conversion into flour, for a period of one year as from July 1. In addition the committee is authorized to study the conditions of the 1937 wheat crop, to investigate consumption requirements for wheat and flour, to establish grades for these commodities, and to regulate prices and establish stocks of wheat to meet shortages at any point or points within the republic.

As the sole importing agency of wheat free from duty, the committee is empowered to sell only for the purpose of supplying local consumption demands.

## Egypt

### FRUIT PEST REGULATIONS

Mr. Henri Turcot, Canadian Trade Commissioner at Cairo, advises that an Egyptian Government decree, dated June 24, 1937, supplementing a decree of 1932 relating to restrictive measures against the fruit pest codling moth, prohibits importation of fruits affected by San Jose scale. The new decree is to be enforced strictly, but permission will be granted to reship within fifteen days fruit shipments coming under the prohibition.



**FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING SEPT. 13, 1937**

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, September 13, and for the week ending Tuesday, September 7, with the official bank rate.

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Sept. 7	Nominal Quotations in Montreal Week ending Sept. 13	Official Bank Rate
Austria . . . . .	Schilling	.1407	\$ .1885	\$ .1886	3½
Belgium . . . . .	Belga	.1001	.1686	.1684	2
Bulgaria . . . . .	Lev	.0072	.0129	.0129	6
Czechoslovakia . . . . .	Krone	.0296	.0349	.0349	3
Denmark . . . . .	Krone	.2680	.2212	.2210	4
Finland . . . . .	Markka	.0252	.0219	.0219	4
France . . . . .	Franc	.0392	.0373	.0357	3½
Germany . . . . .	Reichsmark	.2382	.4013	.4012	4
Great Britain . . . . .	Pound	4.8666	4.9550	4.9512	2
Greece . . . . .	Drachma	.0130	.0091	.0091	6
Holland . . . . .	Guilder	.4020	.5514	.5503	2
*Hungary . . . . .	Pengo	.1749	.2955	.2955	4
Italy . . . . .	Lira	.0526	.0526	.0526	4½
Jugo-Slavia . . . . .	Dinar	.0176	.0230	.0231	5
Norway . . . . .	Krone	.2680	.2490	.2487	4
Poland . . . . .	Zloty	.1122	.1889	.1890	5
Portugal . . . . .	Escudo	.0442	.0449	.0449	4½
Roumania . . . . .	Leu	.0060	.0073	.0073	4½
Spain . . . . .	Peseta	.1930	.0658	.0648	5
Sweden . . . . .	Krona	.2680	.2555	.2552	2½
Switzerland . . . . .	Franc	.1930	.2296	.2297	1½
United States . . . . .	Dollar	1.0000	1.0001	1.0000	1
Mexico . . . . .	Peso	.4985	.2775	.2775	4-5
Cuba . . . . .	Peso	1.0000	.9994	.9990	—
Guadeloupe . . . . .	Franc	.0392	.0373	.0357	—
Jamaica . . . . .	Pound	4.8666	4.9650	4.9612	—
Martinique . . . . .	Franc	.0392	.0373	.0357	—
Other British West Indies	Dollar	1.0138	1.0345	1.0313	—
Argentina . . . . .	Peso (Paper)	.4245	.3304	.3300	3½
		<b>Unofficial</b>	.3000	.2995	—
Brazil . . . . .	Milreis (Paper)	.1196	.0643	.0641	—
British Guiana . . . . .	Dollar	1.0138	1.0345	1.0313	—
Chile . . . . .	Peso	.1217	.0513	.0513	4½
		<b>Unofficial</b>	.....	.....	—
Colombia . . . . .	Peso	.9733	.5700	.5699	4
Peru . . . . .	Sol	.2800	.2600	.2600	6
Venezuela . . . . .	Bolivar	.1930	.3137	.3138	—
Uruguay . . . . .	Peso	1.0342	.7920	.7919	—
South Africa . . . . .	Pound	4.8666	4.9490	4.9450	3½
Egypt . . . . .	Pound (100 Piastres)	4.9431	5.0800	5.0800	—
China (Shanghai) . . . . .	Dollar	.....	.2956	.2972	—
Hongkong . . . . .	Dollar	.....	.3097	.3090	—
India . . . . .	Rupee	.3650	.3742	.3736	3
Japan . . . . .	Yen	.4985	.2889	.2885	2.92
Java . . . . .	Guilder	.4020	.5515	.5503	—
Siam . . . . .	Baht (Tical)	.4424	.4541	.4538	—
Straits Settlements . . . . .	Dollar	.5678	.5812	.5803	—
Australia . . . . .	Pound	4.8666	3.9641	3.9600	3
New Zealand . . . . .	Pound	4.8666	3.9961	3.9920	2
		<b>* Unofficial:</b>	.1976	.1975	—

The Dominion Bureau of Statistics has supplied the following note:—

The indication of ease given by a reduction of the Bank of France discount rate on September 2 was belied by a further break in the franc on the 9th and 10th. The withdrawal of official support in the face of accumulating pressure was followed by a drop from 3.73 cents to a new level of approximately 3.57 cents. Other European currencies were shaken temporarily by this move. Sterling, however, has subsequently been firmer, registering minor advances on the 11th and 13th for the first time in nearly three weeks. New York funds at Montreal returned to par on September 13 after maintaining a small fractional premium for several days.

## TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

### Secretary, Board of Trade—

Saint John, N.B.	Chatham, Ont.	Portage la Prairie, Man.
Halifax, N.S.	Kitchener, Ont.	St. Boniface, Man.
Quebec, P.Q.	Stratford, Ont.	Winnipeg, Man.
Montreal, P.Q.	Woodstock, Ont.	Vancouver, B.C.
Toronto, Ont.	St. Mary's, Ont.	New Westminster, B.C.

### Secretary, Chamber of Commerce—

Sherbrooke, P.Q.	Belleville, Ont.	Hamilton, Ont.
Kingston, Ont.	Peterborough, Ont.	Victoria, B.C.
Oshawa, Ont.	London, Ont.	Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

### Secretary, Canadian Manufacturers Association—

Toronto, Ont.	Winnipeg, Man.	Vancouver, B.C.
Montreal, P.Q.	Edmonton, Alta.	Victoria, B.C.

The Maritime Provinces Trade Commissioner, 122 Federal Building, Toronto, Ont.

The Bureau of Provincial Information, Victoria, B.C.

**Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.**

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Foodstuffs—</b>			
Canned Salmon.....	638	Glasgow, Scotland.....	Agency.
Canned Fish.....	639	Belfast, Northern Ireland.	Agency.
Canned Fruits and Vegetables...	640	Belfast, Northern Ireland.	Agency.
Canned Goods (Complete Line).	641	Auckland, New Zealand...	Agency.
<b>Miscellaneous—</b>			
Fish Oils (Pilchard and Cod)....	642	Glasgow, Scotland.....	Agency.
Flaxseed.....	643	Belfast, Northern Ireland.	Agency.
Ground Oats.....	644	Ballymena, Northern Ire-	Purchase.
		land.	
Wheat Feeds.....	645	Ballymena, Northern Ire-	Purchase.
		land.	
Soya Bean Meal.....	646	Ballymena, Northern Ire-	Purchase.
		land.	
Leather (Suede).....	647	Lima, Peru.....	Purchase.
Leather (Imitation Suede, with Waterproof Backing).	648	Lima, Peru.....	Purchase.



Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Miscellaneous—Concluded</b>			
Dolls.....	649	Auckland, New Zealand...	Agency.
Wood-fibre Insulating Board....	650	Belfast, Northern Ireland.	Purchase.
Rock Maple Roller Blocks.....	651	New York, U.S.A.....	Purchase.
Wood Shanks (for Shoes).....	652	Melbourne, Australia.....	Agency.
Maple and Birch Flooring.....	653	Glasgow, Scotland.....	Agency.
Nails.....	654	Port of Spain, Trinidad...	Agency.
Bar Iron.....	655	Port of Spain, Trinidad...	Agency.
Galvanized Steel Sheets.....	656	Port of Spain, Trinidad...	Agency.
Chain Store Tools.....	657	Melbourne, Australia.....	Agency.
Automotive Parts and Acces- sories.	658	Melbourne, Australia.....	Agency.
Automobile Parts.....	659	Melbourne, Australia.....	Agency.
Heating Systems, Steam (Smaller Types).	660	Melbourne, Australia.....	Purchase.

## PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

### From Montreal

*To Liverpool.*—Duchess of Atholl, Sept. 24; Duchess of York, Oct. 1; Duchess of Richmond, Oct. 8; Duchess of Bedford, Oct. 15—all Canadian Pacific; Antonia, Sept. 24; Andania, Oct. 8—both Cunard-White Star Line; Vardefjell, Fjell Line, Sept. 24.

*To London.*—Beaverdale, Sept. 24; Beaverbrae, Oct. 1; Beaverburn, Oct. 8; Beaverhill, Oct. 15; Beaverford, Oct. 22—all Canadian Pacific; Ascania, Sept. 24; Aurania, Oct. 1; Alaunia, Oct. 8; Ausonia, Oct. 15—all Cunard-White Star Line; Taborfjell, Sept. 25; Svane-fjell, Oct. 9; Tindfjell, Oct. 25—all Fjell Line.

*To Manchester.*—Manchester Citizen, Sept. 23; Manchester Regiment, Sept. 30; Manchester Commerce, Oct. 7; Manchester Port, Oct. 14; Manchester Brigade, Oct. 21—all Manchester Line; Vardefjell, Fjell Line, Sept. 24.

*To Southampton.*—Montrose, Canadian Pacific, Oct. 2.

*To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—Dakotian, Sept. 28; Norwegian, Oct. 16—both Cunard-Donaldson and Dominion Lines; Bristol City, Bristol City and Dominion Lines, Oct. 6.

*To Glasgow.*—Delilian, Sept. 24; Letitia, Oct. 1; Sulairia, Oct. 8; Athenia, Oct. 15—all Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Cairmona (calls at Dundee), Sept. 22; Cairnross, Sept. 29; Cairnvalona, Oct. 6; Cairnesk (calls at Dundee), Oct. 13; Cairnglen, Oct. 20—all Cairn-Thomson Line.

*To Aberdeen and Hull.*—Kelso, Sept. 24; Gitano, Oct. 15—both Ellerman's Wilson Line.

*To Dublin and Belfast.*—Kenbane Head, Sept. 25; Melmore Head, Oct. 7; Lurigethan, Oct. 20—all Head Line (cargo accepted for Cork).

*To Antwerp and Havre.*—Beaverbrae, Oct. 1; Beaverburn, Oct. 8; Beaverhill, Oct. 15; Beaverdale, Oct. 29—all Canadian Pacific (do not call at Havre); Taborfjell, Sept. 25; Svane-fjell, Oct. 9; Tindfjell, Oct. 25—all Fjell Line (do not call at Havre); Flint II, Sept. 28; Grey County, Oct. 7; Brant County, Oct. 17—all County Line.

*To Rotterdam.*—August, Oct. 9; Brant County, Oct. 18—both County Line; Taborfjell, Sept. 25; Svane-fjell, Oct. 9; Tindfjell, Oct. 25—all Fjell Line.

*To Hamburg and Bremen.*—Beaverdale, Sept. 24; Beaverford, Oct. 22—both Canadian Pacific (do not call at Bremen); Chemnitz, North German Lloyd Line, Oct. 15.

*To Copenhagen, Gothenburg and Baltic Ports.*—Korsholm, Sept. 25; Ragnhildsholm, Oct. 23—both Swedish-America-Mexico Line.

*To Norwegian Ports.*—Vardefjell, Fjell Line, Sept. 24.

*To Marseilles, Genoa, Naples, Messina, Palermo, Lisbon and Leghorn.*—Capo Lena, Oct. 9; Capo Olmo, Oct. 30—both Capo Line.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Eikhaug (calls at Bay Roberts, Carbonear and Port Union but not at St. Pierre), Shaw SS. Co., Oct. 14; Belle Isle, Newfoundland-Canada SS., Sept. 24.

*To Corner Brook, Nfld.*—North Voyageur, Sept. 19; New Northland, Sept. 27—both Clarke SS. Co.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Colborne, Sept. 30; Chomedy, Oct. 14; Cornwallis, Oct. 28—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Hamilton (Bermuda), Nassau (Bahamas), Kingston (Jamaica) and Belize (British Honduras).*—Cathcart (does not call at Hamilton or Nassau), Sept. 24; Lady Rodney, Sept. 29; Cavelier (does not call at Hamilton or Nassau), Oct. 8; Lady Somers, Oct. 13—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad, Demerara and Paramaribo.*—A steamer, Ocean Dominion SS. Corp., Sept. 24.

*To Brisbane, Sydney and Melbourne.*—City of Delhi (calls at Adelaide if sufficient inducement offers), Montreal-Australia-New Zealand Line, Sept. 30.

*To Auckland, Wellington, Lyttelton and Dunedin.*—Australind, Montreal-Australia-New Zealand Line, Sept. 21.

*To Sierra Leone, Walvis Bay, Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques and Beira.*—Cochrane, Elder-Dempster Lines Ltd., Sept. 27.

*To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Singapore, Madras, Rangoon and Calcutta.*—City of Birmingham, Canada-India Service, Sept. 30.

*To Belawan Deli, Penang, Port Swettenham, Singapore, Batavia, Cheribon, Samarang, Soerabaya and Macassar.*—A steamer, Java-New York-Blue Funnel Line, October.

*To Yokohama, Kobe and Osaka.*—City of Canton, Canada-Far East Line, Oct. 10.

*To Manila, Hongkong, Shanghai and Dairen.*—City of Eastbourne, Ellerman & Bucknell SS. Co., Oct. 30; Adrastus (does not call at Dairen), Blue Funnel Line, Oct. 12.

*To Santos and Buenos Aires.*—Hektor, Sept. 22; Germa, Oct. 2; Rena, Oct. 18—all International Freighting Corp.

### From Quebec

*To Southampton.*—Empress of Britain, Canadian Pacific, Sept. 25 and Oct. 9.

### From Saint John

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Nelson, Sept. 29; Lady Hawkins, Oct. 13—both Canadian National.

*To Kingston and Jamaican Outports.*—Crawford Ellis (cargo accepted for transhipment to Central and South American ports), United Fruit Co., Sept. 24 and Oct. 8

### From Halifax

*To Liverpool.*—Manchester Division, Sept. 27; Manchester Producer, Oct. 14—both Manchester Line; Nova Scotia, Sept. 21; Newfoundland, Oct. 9—both Furness Line.

*To London.*—Edam, Sept. 27; Spaarndam, Oct. 5; Bilderdijk, Oct. 14—all Holland-America Line; City of Flint, Sept. 29; Lehigh, Oct. 13—both American Hampton Roads.

*To Manchester.*—Manchester City, Sept. 19; Manchester Citizen, Sept. 26; Manchester Regiment, Oct. 3; Manchester Commerce, Oct. 10; Manchester Port, Oct. 17—all Manchester Line.

*To Newcastle and Leith.*—Cairnmona, Sept. 25; Cairnross, Oct. 2; Cairnvalona, Oct. 9; Cairnesk, Oct. 16—all Cairn-Thomson Line.

*To Aberdeen, Newcastle and Hull.*—Trentino, Ellerman's Wilson Line, Oct. 4.

*To Cardiff, Bristol and Swansea.*—New York City, Sept. 22; Bristol City, Oct. 9; Boston City, Oct. 28—all Bristol City Line.

*To Rotterdam.*—Edam, Sept. 27; Spaarndam, Oct. 5; Bilderdijk, Oct. 14—all Holland-America Line.

*To Hamburg, Bremen, Hull, Leith and Dundee.*—City of Flint, Sept. 29; Lehigh, Oct. 13—both American Hampton Roads.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Fort Amherst, Sept. 20 and Oct. 4; Fort Townshend, Sept. 27—both Furness-Red Cross Line; Nova Scotia, Sept. 21; Newfoundland, Oct. 9—both Furness Line (do not call at St. Pierre); Portia (does not call at St. Pierre), Newfoundland Ry. and SS. Co., Sept. 22; Kongshaug, Newfoundland-Canada SS. Ltd., Oct. 4 and 18.



*To Kingston (Jamaica) and Belize (British Honduras).—*Cathcart, Sept. 27; Cavelier, Oct. 11—both Canadian National.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—*Lady Drake, Sept. 23; Lady Nelson, Oct. 7; Lady Hawkins, Oct. 21—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.—*A steamer, Ocean Dominion SS. Corp., Sept. 29.

*To Puerto Rico, Barbados, Trinidad and Demerara.—*Cornwallis, Sept. 20; Colborne, Oct. 4; Chomedy, Oct. 18—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Bermuda, West Indies, and Demerara.—*A steamer, Pickford & Black Ltd., Sept. 29 and Oct. 13.

*To Yokohama, Kobe, Shanghai, Hongkong, Manila, Cebu and Java.—*Siamese Prince, Sept. 20; Malayan Prince, Oct. 25—both Furness-Prince Line; Silverwalnut, Silver Line Sept. 30.

### From Vancouver

*To Yokohama, Kobe and Osaka.—*Hikawa Maru, Oct. 2; Hiye Maru, Oct. 14; Heian Maru, Oct. 30—all Nippon Yusen Kaisha.

*To Yokohama, Kobe, Shanghai, Hongkong and Manila.—*Empress of Canada (calls Honolulu), Oct. 2; Empress of Russia (calls Nagasaki), Oct. 16; Empress of Japan (calls Honolulu), Oct. 30; Empress of Asia (calls Nagasaki), Nov. 13—all Canadian Pacific; Ixion, Oct. 16; Talthybius, Nov. 13—both Blue Funnel Line (call at Miike but not at Manila).

*To Manila, Iloilo, Cebu, Soerabaya, Samarang, Batavia, Singapore, Port Swettenham, Belawan Deli, Colombo, Bombay and Persian Gulf Ports.—*Tosari, Oct. 1; Hoegh Silverlight, Nov. 1—both Silver-Java Pacific Line.

*To Honolulu, Suva, Auckland and Sydney.—*Niagara, Sept. 29; Aorangi, Oct. 27—both Canadian-Australasian Line.

*To Melbourne and Sydney.—*Waitotapu (calls at Auckland), Oct. 8; Hauraki (calls at Papeete, Wellington, New Plymouth, Lyttelton and Dunedin), Oct. 15—both Canadian-Australasian Line.

*To Wellington, Port Huon, Beauty Point, Melbourne and Sydney.—*Anglo Canadian, Canadian-Australasian Line, Sept. 20.

*To London, Liverpool and Rotterdam.—*Drecht dyk, Oct. 2; Lochkatrine (calls at Glasgow), Oct. 16; Dinteldyk, Oct. 30; Damsterdyk (calls at Glasgow), Nov. 13—all North Pacific Coast Line.

*To Antwerp, Hamburg and Bremen.—*Oakland, Sept. 19; Seattle, Oct. 17; Tacoma, Nov. 7—all Hamburg-American Line; Weser, Oct. 6; Este, Oct. 27—both North German Lloyd Line.

*To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.—*Oregon, Oct. 10; San Jose, Oct. 22—both Empire Shipping Co.

*To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.—*Leme, Sept. 20; Fella, Oct. 27—both Empire Shipping Co.

*To Port of Spain (Trinidad) and Bridgetown (Barbados).—*Caledonian Monarch, Canadian Transport Co., Sept. 19.

*To Kingston (Jamaica), Trinidad and Demerara.—*A steamer, Canadian Transport Co., September.

*To Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques, Beira, Colombo, Calcutta and Madras.—*Silverwillow, Oct. 5; Siantar, Nov. 5—both Silver-Java Pacific Line.

*To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.—*Brandanger, Sept. 30; Hardanger, Oct. 30—both Empire Shipping Co.

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**Note.**—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.

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**CONDENSED LIST OF PUBLICATIONS ISSUED BY THE DEPARTMENT  
OF TRADE AND COMMERCE**

Applications for publications in this list, together with remittances therefor, should be addressed to the King's Printer, Government Printing Bureau, Ottawa, marked "Attention Chief Clerk of Distribution."

**GENERAL**

**Annual Report of the Department of Trade and Commerce.**—A review of the salient features of Canada's export and import trade and a summary of the activities of each of its Branches, including the Commercial Intelligence Service; Foreign Tariffs Division; Dominion Bureau of Statistics; Board of Grain Commissioners; Weights and Measures Inspection Service; Electricity and Gas Inspection Services; Publicity; Government Motion Picture Bureau; Exhibition Commission; Steamship Subsidies; Precious Metals Marking Inspection; also a statement of Revenue and Expenditure. (Price 25 cents.)

**Annual Report of the Board of Grain Commissioners.**—The administration of the Canada Grain Act during the calendar year, including reports of such officers as the Registrar, Chief Inspector, Chief Weighmaster and General Manager of the Canadian Government Elevators, prepared in accordance with Section 23 of the Act. (Price 25 cents.)

**Annual Report of Electricity and Gas Inspection Services.**—A summary of the work of these services with statistics of revenue and expenditure, as also statement showing meters, electrical energy generated for export, and lists of companies registered under the Electricity Inspection Act. (Price 25 cents.)

**Annual Report of Dominion Grain Research Laboratory.**—Details of investigations carried out in the Laboratory relating to qualities of Canadian wheat; also investigations on inquiries to further the sale of Canadian wheat and flour; milling and baking characteristics of the last crop; various forms of co-operation with Universities, Experimental Farms and other Government institutions, producers, milling and grain organizations in Canada and abroad; investigations relating to grading system, etc. (Price 10 cents.)

**Annual Report of Weights and Measures Inspection Service.**—Summary of the work of this service with statement showing revenue and expenditure; weighing machines, measures of capacity, measuring devices and lineal measures, etc., inspected in each district. (Price 10 cents.)

**Catalogue of Motion Pictures.**—List of all films available in the Government Motion Picture Bureau, with title and brief description. It is in loose leaf form, in order that revision may be made from year to year. (Price 25 cents.)

**List of Grain Elevators.**—Details of all Grain Elevators in Western and Eastern Divisions, also licensed grain commission merchants, track buyers of grain and grain dealers, and summary of grain loading platforms in Western Division. (Price 50 cents.)

**PUBLICATIONS OF THE COMMERCIAL INTELLIGENCE SERVICE**

**Commercial Intelligence Journal.**—Published weekly in English and French, containing reports of Trade Commissioners and other commercial information. The annual subscription in Canada is \$1 and outside Canada, \$3.50.

Publications of the Commercial Intelligence Service are compiled with a view to furnishing Canadian exporters with information respecting the possibilities for the sale of Canadian goods abroad, the nature of the competition to be encountered, Customs requirements, etc., and are not intended for general distribution. The publications available include leaflets giving Invoice Requirements and a series on Points for Exporters, both covering countries included in the territories assigned to Trade Commissioners.

From time to time special reports are issued separately, which subscribers to the Commercial Intelligence Journal are entitled to receive free of charge. In all other cases their distribution is controlled by the King's Printer, who fixes a price therefor.

**PUBLICATIONS OF THE DOMINION BUREAU OF STATISTICS**

The following is an abbreviated list of publications of the Dominion Bureau of Statistics:—

**Census of Canada.**

**Miscellaneous Statistics** respecting the following: Business; Education; Employment; Finance (Provincial and Municipal); Justice; Transportation, including railways and tramways, express, telegraphs, telephones, water, etc.; Production, including agriculture, furs, fisheries, forestry, mining, construction and manufactures; Vital: births, deaths, marriages, divorces.

**Canada, 1937.** (Price 25 cents.)

**Canada Year Book.** (Price \$1.50.)

**Report of the Dominion Statistician, Annual.** (Price 10 cents.)

**Trade (External), (Imports and Exports)—Annual Reports:** Fiscal Year (price \$3), Calendar Year (price 50 cents); Quarterly Report (price \$2 per annum); Monthly Report (price \$1 per annum).

**Trade (Internal), Prices, cost of living, capital movements, etc.** (Price 50 cents.)

**Monthly Review of Business Statistics.** (Price \$1 per annum.)



# COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

## CANADIAN GOVERNMENT TRADE COMMISSIONERS

### Argentina

J. A. STRONG, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

### Australia

*Sydney:* L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh Streets. (Territory covers Federal District of Canberra, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

*Melbourne:* FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building, Melbourne. (Territory covers States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

### Belgium

YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

### Brazil

L. S. GLASS. Address for letters—Caixa Postal 2164, Rio de Janeiro. Office—Ed. Da. "A. Noite," Sala 802, Praça Maua. *Cable address, Canadian.*

### British Malaya

B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory covers the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

### British West Indies

*Trinidad:* M. B. PALMER. Address for letters—P.O. Box 125, Port of Spain. Office—Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, and British Guiana.) *Cable address, Canadian.*

*Jamaica:* F. W. FRASER, P.O. Box 225, Office—Canadian Bank of Commerce Chambers, Kingston. (Territory covers Jamaica, Haiti, the Bahamas, and British Honduras.) *Cable address, Canadian.*

### China

*Shanghai:* H. A. SCOTT. Address for letters—P.O. Box 264. Office—Ewo Building, 27 The Bund, Shanghai. (Territory covers Central China and North China.) *Cable address, Canadian.*

### Cuba

C. S. BISSETT. Address for letters—Apartado 1945, Havana. Office—Royal Bank of Canada Building, Calle Aguiar 75, Havana. (Territory includes Dominican Republic and Puerto Rico.) *Cable address, Canadian.*

### Egypt

HENRI TURCOT. Address for letters—P.O. Box 1770, Cairo. Office—22 Shari Kasr el Nil, Cairo. (Territory includes the Sudan, Palestine, Cyprus, Iraq, Syria, Iran, Greece, Turkey, Bulgaria, and Roumania.) *Cable address, Canadian.*

### France

HERCULE BARRÉ, Commercial Attaché, 3 rue Scribe, Paris (9). (Territory includes French Colonies in North Africa.) *Cable address, Cancomac.*

### Germany

J. C. MACGILLIVRAY, Mönckebergstrasse 31, Hamburg. (Territory includes Germany—except the Rhine Valley—Czechoslovakia, Austria, and Poland.) *Cable address, Canadian.*

### Hongkong

V. E. DUCLOS. Address for letters—P.O. Box 80, Hongkong. Office—Gloucester Building, Hongkong. (Territory includes South China, the Philippines, and Indo-China.) *Cable address, Canadian.*

### British India

PAUL SYKES. Address for letters—P.O. Box 2003, Calcutta. Office—23 Esplanade Mansions, Government Place East, Calcutta. (Territory includes Burma and Ceylon.) *Cable address, Canadian.*

### Irish Free State and Northern Ireland

JAMES CORMACK, 66 Upper O'Connell Street, Dublin, Irish Free State (*cable address, Canadian*); and 36 Victoria Square, Belfast, Northern Ireland.

## CANADIAN GOVERNMENT TRADE COMMISSIONERS—*Con.*

### Italy

A. B. MUDDIMAN, Via Manzoni Nr. 5, Milan (102). (Territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia.) *Cable address, Canadian.*

### Japan

*Tokyo:* ACTING COMMERCIAL SECRETARY. Address for letters—P.O. Box 401, Tokyo Central Office—Canadian Legation, 16 Omotecho, 3-chome, Akasakaku, Tokyo. *Cable address, Canadian.*

*Kobe:* P. V. McLANE. Address for letters—P.O. Box 230, Kobe. Office—309 Crescent Building, 72 Kyomachi, Kobe. *Cable address, Canadian.*

### Mexico

R. T. YOUNG. Address for letters—Apartado Num. 126-Bis, Mexico City. Office—Edificio Banco de Londres y Mexico, Num. 30, Mexico City. (Territory includes Guatemala, Honduras, and Salvador.) *Cable address, Canadian.*

### Netherlands

J. A. LANGLEY, Coolsingel 111b, Rotterdam. (Territory includes the Rhine Valley and Switzerland.) *Cable address, Canadian.*

### New Zealand

W. F. BULL. Address for letters—P.O. Box 33, Auckland. Office, Yorkshire House, Shortland Street, Auckland. (Territory includes Fiji and Western Samoa.) *Cable address, Canadian.*

### Norway

RICHARD GREW, Stortingsgaten 28, Oslo. (Territory includes Sweden, Denmark, and Finland.) *Cable address, Canadian.*

### Panama

W. J. RIDDIFORD. Address for letters—P.O. Box 222, Panama City. Office—Royal Bank of Canada Building, Santa Ana Plaza, Panama City. (Territory includes the Canal Zone, Venezuela, Colombia, Nicaragua, and Costa Rica.) *Cable address, Canadian.*

### Peru

M. J. VECHSLER. Address for letters—Casilla 1212, Lima. Office—Portal de Belén No. 166, Plaza San Martin, Lima. (Territory includes Bolivia, Ecuador, and Chile.) *Cable address, Canadian*

### South Africa

*Cape Town:* G. R. HEASMAN. Address for letters—P.O. Box 683, Cape Town. Office—Cleghorn & Harris Building, Adderley Street, Cape Town. (Territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar.) *Cable address, Cantracom.*

*Johannesburg:* J. L. MUTTER. Address for letters—P.O. Box 715, Johannesburg. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

### United Kingdom

*London:* FREDERIC HUDD, Chief Trade Commissioner in the United Kingdom, Canada House, Trafalgar Square, S.W.1. *Cable address, Sleighing, London.*

*London:* J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W.1. (Territory covers Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

*London:* W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C.2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—covers United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

*London:* W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W.1. *Cable address, Agrilson.*

*Liverpool:* H. R. POUSETTE, Martins Bank Building, Water Street. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

*Bristol:* E. L. MCCOLL, Northcliffe House, Colston Avenue. (Territory covers West of England, South Wales, and South Midlands.) *Cable address, Canadian.*

*Glasgow:* G. B. JOHNSON, 200 St. Vincent Street. (Territory covers Scotland.) *Cable address, Cantracom.*

### United States

*New York City:* D. S. COLE, British Empire Building, Rockefeller Center. (Territory includes Bermuda.) *Cable address, Cantracom.*

**Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.**



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# COMMERCIAL INTELLIGENCE JOURNAL



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No. 1756



Unloading Canadian Seed Potatoes at Buenos Aires, Argentina

ISSUED BY AUTHORITY OF  
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE  
JAMES G. PARMELEE, DEPUTY MINISTER

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Ottawa, September 25, 1937

No. 1756

## REDUCTION IN AIR MAIL RATES

With reference to the notice published in *Commercial Intelligence Journal* No. 1743 (June 26, 1937) advising Canadian exporters to take advantage of the air mail facilities now available from Canada, the Post Office Department announces a reduction in the rates to the British West Indies, Cuba, Mexico, Central America, and South America.

Effective October 1, the unit of weight for air mail to the above-mentioned countries will be a quarter of an ounce instead of half an ounce as formerly, and on the new basis the rates to these countries will be half the present rates applicable to half an ounce. In order to take full advantage of the reduced rates for letters weighing a quarter-ounce or less, Canadian firms are advised to use the lightweight stationery now supplied by stationery houses for air mail purposes.

A schedule of air mail rates effective October 1, 1937, is appended:—

### *Air Mail Rates*

Any Place in	Postage including Fees for all Air Mail Services Available
1 Canada, Great Britain and Northern Ireland, Irish Free State, Newfoundland or any place in North America not mentioned in Groups 2 and 4 . . . . .	6 cents first ounce 5 cents each ounce after
2 United States, Bermuda . . . . .	6 cents each ounce
3 Europe (except places mentioned in Group 1) . . . . .	10 cents each ounce
4 West Indies and British Guiana, Mexico, Cuba, Central America . . . . .	12 cents each $\frac{1}{4}$ ounce
5 Africa, Asia . . . . .	25 cents each $\frac{1}{4}$ ounce*
6 Australasia . . . . .	35 cents each $\frac{1}{4}$ ounce
7 South America:	
(a) Colombia, Ecuador, Venezuela, Dutch Guiana, and French Guiana . . . . .	25 cents each $\frac{1}{4}$ ounce
(b) Argentina, Bolivia, Brazil, Chile, Paraguay, Peru, and Uruguay . . . . .	35 cents each $\frac{1}{4}$ ounce

Registration, if desired, is additional to the above.

\* This rate does not apply to air mail despatched by the U.S. "Clipper" service from San Francisco to Hawaii, Guam, and the Philippine Islands, for which the rate is 25 cents, 50 cents and 75 cents per half ounce, respectively. The air mail rate via San Francisco to Macao and Hongkong is 90 cents per half-ounce.

## UNITED STATES MARKET FOR CANADIAN POTATOES

R. G. C. SMITH, ASSISTANT TRADE COMMISSIONER

New York, September 10, 1937.—The sale of Canadian seed and table potato stock in the United States is directly dependent on the domestic production, and is independent of imports from elsewhere, or of exports. Naturally the volume of production in Canada, with its consequent effect on prices, is also a considerable factor when considering the possibilities of the United States market.

## IMPORTS FROM CANADA

The following table compares imports from Canada with production in the United States and with the percentage production of the 1931-36 average in Canada. In making the comparison, the production figures for the year previous to that shown for imports are given, inasmuch as imports in any one year more properly compete with the production of the preceding year. Thus, imports in 1936 are compared with production (in both the United States and Canada) for 1935 and so on:—

	Imports from Canada		Production		Canada Per Cent Average
	Seed Bushels	Other	U.S. Seed 1,000 Bushels	U.S. Other Bushels	
1936 . . . . .	729,218	469,976	12,064	374,816	89
1935 . . . . .	111,091	237,491	10,460	395,645	111
1934 . . . . .	254,608	1,213,484	8,820	333,486	98
1933 . . . . .	494,471	609,124	6,921	369,504	91
1932 . . . . .	371,068	689,368	8,089	376,036	120

The imports and production of seed referred to in the table represent certified seed.

The foregoing table amply illustrates the fact that imports are dependent on the domestic crop. The increase in seed imports in 1936 in the face of a heavy certified seed production and average table stock production in the previous year, was a result of the lower duty on certified seed, applied under the Canada-United States Trade Agreement. It will also be noted that in 1932 imports of table stock were fairly heavy, in spite of a good production in the year previous; this may be explained by the heavy production in Canada that year, as shown in the table, with consequent pressure offerings.

In so far as 1937 is concerned, prospects for both table and seed potatoes from Canada were good following the record low crop of 329,997,000 bushels in the United States. Under the circumstances the imports of seed have been well maintained. However, the most recent statistics of imports of table stock indicate that this trade has not reached exceptional proportions. Thus, for the first six months of this year imports of table stock amounted to 273,719 bushels. This figure may have been increased considerably in the subsequent months, but the reason imports have not been greater in the face of an expected shortage is, of course, the low production in Canada last year. In addition, the New York market (the principal outlet for table stock) has not felt any pronounced shortage from domestic sources, although prices have been somewhat above average for the season.

Imports of seed for the period December to July, inclusive, amounted to 607,535 bushels, or 81 per cent of the quota established by the trade agreement.

## IMPORTS FROM CUBA AND BERMUDA

Imports of potatoes into the United States from Cuba and Bermuda are not large, and in any event do not compete with the Canadian trade. These potatoes are exclusively for the luxury trade, which requires new potatoes. The shipments are mostly of Bliss Triumph—possibly produced from Canadian seed—and generally arrive from December to April, although some small shipments may reach New York as late as June.

As previously stated, the volume of such trade is small and has no effect on the Canadian shipments. In 1936 Cuba supplied 46,727 bushels and Bermuda 14,249 bushels, the Cuban figures being representative of the annual trade, whereas the Bermuda figures were somewhat under the average.

Actually, the development of this trade should indirectly assist the exports of Canadian seed to these islands, since it represents an outlet for their production, which is necessarily limited by their small local demands.



## CUSTOMS DUTY

The Tariff Act of 1930 raised the duty on imports of potatoes (whether seed or table stock) from 50 cents to 75 cents per 100 pounds. The effect of such an increase was to cut the imports from Canada considerably. Under the Canada-United States Trade Agreement, effective 1936, certified seed to a total amount of 750,000 bushels was permitted entry at 60 cents from December 1 to the end of February, and at 45 cents for the balance of the twelve-month period, no change being made in the duty payable on potatoes other than certified seed. The effect of this concession was immediately noticeable in 1936, when the quota was virtually filled in spite of a good average crop in the United States for the year previous and a less than average Canadian crop.

## EFFECT OF DUTY ON TRADE

The increase in the duty on potatoes imposed in 1930 had the effect of reducing imports from Canada from an average of 4,033,000 bushels annually for the period 1925-29 to an average of 1,595,000 for the six years since its application, the latter figure being benefited by the reduced duty on seed in effect for 1936. In addition, the average acreage harvested in the years following 1930 was increased to 3,437,000 from 3,071,000 for the six years preceding the higher duty.

The following table gives the imports from Canada and total exports, compared with production:—

	Imports	Exports	Production of Previous Year
	Figures in 1,000		Bushels
Average 1925-29 .. . . .	4,033	2,434	360,915
1931 .. . . .	4,389	1,060	340,572
1932 .. . . .	1,060	912	384,125
1933 .. . . .	1,104	719	376,425
1934 .. . . .	1,468	1,171	342,306
1935 .. . . .	349	1,808	406,105
1936 .. . . .	1,199	1,294	386,380
Average 1931-36 .. . . .	1,595	1,161	372,652

The export trade is not normally a great factor and imports from Canada are not seriously affected by it. Similarly, the imports from Cuba and Bermuda were not included in the table, since they have no bearing on the general situation.

## PROSPECTS FOR 1937-38

The foregoing table is interesting as giving some basis on which to judge the possibilities of the United States market for the coming year. The United States estimate of the current crop is 402,537,000 bushels, which is one of the highest yields in recent years. In these circumstances, there is little hope of finding an outlet for much table stock from the new crop.

On the other hand, there is always a demand for Canadian certified seed, particularly for Irish Cobblers and Green Mountains, for Long Island and Jersey; for some foundation stock for Maine, and for Bliss Triumph seed for Florida and other southern states. Obviously the demand for seed is reduced in years of ample local production, but it is hoped that there will be sufficient demand this year to fill the quota. Current indications of a good production in Canada should assist in the movement, as presumably prices will be in line with the lower United States levels occasioned by their large production.

In considering the years prior to the increase in duty, when potatoes would have entered under a duty of 5 cents per 100 pounds over the treaty rate, it will be noted that the five-year average imports from Canada were 4,033,000 bushels, the imports each year increasing or decreasing in inverse proportion to the rise or fall in domestic production. The year 1929 was, however, an exception to this trend when, following a record production of 427,249,000 bushels in 1928,

imports equalled the average. Thus, some factors must have operated to create a demand for Canadian potatoes in the face of ample domestic supplies that year. No such factor is discernible at the present time in respect to the forthcoming crop.

On the other hand, following the large United States production in 1934, imports from Canada totalled 348,582 bushels, of which only 111,091 bushels were seed. Thus, with a greatly reduced duty on seed in effect this year, it is not unreasonable to expect a good portion of the quota to be taken up and a small movement of table stock.

#### DISTRIBUTION

New York is the principal consumer of Canadian potatoes, both for seed and table stock. While figures of entries by customs districts do not necessarily give an exact indication of final destination, New York is shown as taking about 65 per cent of total imports from Canada as compared with Maine and New Hampshire with about a 13-per-cent average. Virginia is the next most consistent user, although in some years, notably in 1934 and 1931, Philadelphia has taken a large share.

These figures do not show the division between seed and table stock, but the spasmodic entries at Philadelphia are undoubtedly table stock, required to fulfil a sudden demand, while the imports by Maine and Virginia are probably seed, New York being divided.

Maine is the principal shipper to New York, the heaviest movement being from December to May, although supplies reach the market during practically the whole year. Long Island and Jersey potatoes begin to appear on the New York market in July and the heavier shipments continue up to October or December, depending on the volume of production. Canadian table potatoes enter when supplies from Maine are slacking off, usually in April, May, or June. On the other hand, seed is in demand as early as October and November, as many farmers like to hold their seed over the winter to ensure that supplies are available in the spring, and that they receive the best supplies free from frost or storage injury.

Although Florida, Virginia, and Idaho potatoes are also a factor in the New York market, the Florida supplies really take over the trade from Maine in early new potatoes, principally in March, April, and May, followed by Virginia in June and July, while Idaho is a specialized trade for large baking potatoes, coinciding with the Maine shipments. Thus, the principal factor directly affecting the Canadian trade is the production in Maine, Long Island, and New Jersey.

#### DOMESTIC PRODUCTION

In view of the foregoing facts, the production in Maine, Long Island, and New Jersey is of more direct interest to Canada than the total production of the whole country. The Maine forecast for 1937 is given as 51,015,000 bushels, or 16 per cent above the long-term average. New York's production is estimated at 26,390,000 bushels, or 7 per cent above the average. The New Jersey prospect is given as 10,092,000 bushels, which is about 53 per cent over the average.

#### PRICE TRENDS

In view of the favourable crop reports and plentiful supplies from Jersey and Long Island, prices for the new crop are considerably below last year's levels. Current quotations for table stock per 100-pound bag No. 1 quality, on the New York market, are as follows (with the equivalent last year's prices within parentheses): Long Island Green Mountains, 95 cents to \$1 (\$1.90 to \$2.10); Cobblers, 80 to 90 cents (\$1.85 to \$2); New Jersey Cobblers, 80 to 85 cents (\$1.75 to \$1.95).



Prices from October to March respond to the quantity of late season potatoes offered, after which there are two levels, one reflecting the old crop and the other the new crop from the Southern States, up to June, following which the new crop alone governs prices.

### Hawaii

The Hawaiian Islands are not technically importers of potatoes, either as seed or for consumption. However, there is a regular movement of seed and table potatoes from the United States to the islands, but inasmuch as the latter form part of the United States, such shipments are necessarily classified as domestic trade.

These shipments amounted to 274,578 bushels in 1936 as compared with 316,392 bushels in 1935 and an average of 297,672 bushels for the period 1932-36 inclusive. In 1927 there were imported from territory outside of the United States 1,150 bushels, but since that date the statistics do not show any imports.

There is a small production of potatoes on the islands, 800 to 1,000 acres of Bliss Triumph being seeded each year. The potatoes grown are shipped to the Pacific Coast States from December to March. The seed for this crop has been obtained principally from Montana, Colorado, Idaho, Washington, and Oregon, for planting from September to December inclusive.

No statistics are available showing the quantity of certified seed required, but it is estimated at about 23,000 bushels annually. In addition to this "export" crop, there is a small production of white-skinned varieties for local consumption only.

It is unlikely that, except under extraordinary conditions, Canada could supply potatoes to the islands in competition with the United States, under the handicap of a 75 per cent duty per 100 pounds for table stock and 45 cents for seed under the quota.

### TRADE COMMISSIONERS ON TOUR

The following Canadian Trade Commissioners are now on tour in the Dominion: Mr. B. C. Butler, Singapore, Straits Settlements (whose territory covers the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India); Mr. J. H. English, London, England; and Mr. F. W. Fraser, Kingston, Jamaica (whose territory covers Jamaica, Haiti, the Bahamas, and British Honduras). Their itineraries are as follows:—

#### Mr. Butler

Ottawa . . . . .	Sept. 28 to 30	Quebec City . . . . .	Oct. 11
Halifax . . . . .	Oct. 4 and 5	Granby . . . . .	Oct. 12
Kentville, Bridgetown and Wolfville . . . . .	Oct. 6	Montreal and district . . . . .	Oct. 13 to 28
Saint John . . . . .	Oct. 7 to 9	Perth and Smith's Falls . . . . .	Oct. 29 and 30
		Kingston . . . . .	Nov. 1

#### Mr. English

Winnipeg . . . . .	Sept. 27 and 28	Toronto and district . . . . .	Oct. 18 to Nov. 6
Fort William . . . . .	Sept. 29	Niagara Falls . . . . .	Nov. 8
Ottawa . . . . .	Oct. 1 to 8	Hamilton and district . . . . .	Nov. 9 and 10
Grand'Mere, Que. . . . .	Oct. 11 to 14	Guelph . . . . .	Nov. 12
Belleville . . . . .	Oct. 15 and 16		

#### Mr. Fraser

Montreal and district . . . . .	Sept. 27 to Oct. 9	Winnipeg . . . . .	Oct. 18
Ottawa and district . . . . .	Oct. 11 to 14	Vancouver . . . . .	Oct. 20 to 30

Firms who wish to be brought in touch with the Trade Commissioners should communicate, for Vancouver and Winnipeg, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres with the respective Board of Trade or Chamber of Commerce.

CANADA'S DOMESTIC EXPORTS TO THE UNITED STATES OF PRINCIPAL COMMODITIES AFFECTED BY THE CANADA-UNITED STATES TRADE AGREEMENT  
EFFECTIVE FROM JANUARY 1, 1936; ALSO UNITED STATES TARIFF RATES IN FORCE. (MONTH OF AUGUST AND THE EIGHT MONTHS ENDED  
AUGUST 31, 1936 AND 1937)

(COMPILED BY THE EXTERNAL TRADE BRANCH, DOMINION BUREAU OF STATISTICS; AND THE FOREIGN TARIFFS DIVISION)

Commodities	Month of August			Eight Months ended August			United States Tariff	
	1936		1937		1936		1935	
	Quantity	Value \$	Quantity	Value \$	Quantity	Value \$	1935	Canada-United States Trade Agreement (Jan. 1, 1936)
<b>AGRICULTURAL AND VEGETABLE PRODUCTS</b>								
<b>Fruits—</b>								
Apples, green or ripe.....	56,115	4,290	18,046	1,560	264	1,207	3,163 25c. per bu. 50 lbs.	15c. per bu. 50 lbs.
Strawberries, fresh.....					678,002	56,681	93,860 14c. per lb.	1c. per lb.
<b>Grain products—</b>								
Bran, shorts and middlings.....	414,286	462,716	32,122	39,465	1,878,995	1,714,677	2,161,144 100% ad val.	10% ad val.
Cereal foods, prepared, all kinds.....							43,433 20% ad val.	15% ad val.
Screenings.....	101,162	63,624	43,563	25,993	473,147	168,622	448,008 10% ad val.	10% ad val.
Hay.....	6,563	39,326	1,137	7,272	12,196	12,517	893,178 \$5 per ton (2,000 lbs.)	\$3. per ton (2,000 lbs.)
Maple sugar.....	740,489	99,600	761,255	112,469	4,736,975	774,395	339,491 6c. per lb.	4c. per lb.
<b>Seeds—</b>								
Clover seed, alfalfa.....	21	159	403	5,763	1,006	10,576	303,362 8c. per lb.	4c. per lb.
Clover seed, alsike.....	1,017	8,184	173	1,726	1,330	11,103	139,207 8c. per lb.	4c. per lb.
Grass seed.....	2,027	2,395	211	151	57,297	62,585	94,201 2c. per lb.	1c. per lb. (mainly timothy).
<b>Vegetables—</b>								
Certified seed potatoes (a).....							331,620 75c. per 100 lbs.	45c. per 100 lbs., Mar. 1 to Nov. 30, if certified seed;
								60c. per 100 lbs., Dec. 1 to last day of Feb., if certified seed;
								75c. per 100 lbs. on imports of certified seed in excess of 750,000 bu. during each twelve-month period, beginning Dec. 1, in any year.
Potatoes, n.o.p. (b).....	11,901	7,094	48	47			237,083 75c. per 100 lbs.	75c. per 100 lbs.
Turnips.....	34,876	15,861	9,634	3,539	1,206,421	381,291	339,741 25c. per 100 lbs.	12c. per 100 lbs.
Whiskey.....	303,557	1,505,554	345,552	1,286,236	2,636,362	12,557,111	11,426,142 \$5 per pt. gal.	\$2.50 per pt. gal. if aged in wooden containers for at least four years; \$5 per pt. gal. if otherwise.
<b>ANIMALS AND ANIMAL PRODUCTS</b>								
<b>Animals, living—</b>								
Dairy cattle, n.o.p.—								
Weighing 175 to 700 lbs. (a).....	108	5,008	3	60	5,266	316,835	3,939 24c. per lb., 175 to 700 lbs.	24c. per lb., 175 to 700 lbs.
Weighing over 700 lbs (a).....	869	55,881	423	27,400			226,910 3c. per lb., if over 700 lbs.	14c. per lb., if over 700 lbs.
								3c. per lb. if over 700 lbs. on imports in excess of 20,000 head during any calendar year.



Cattle, n.o.p.— Weighing less than 175 lbs. (a).....No.	3,937	49,713	12,331	183,915	189,407	7,209,727	83,631	1,222,791 24c. per lb., if less than 175 lbs.	
								175 lbs.	14c. per lb., if less than 175 lbs., if less than 24c. per lb., if less than 175 lbs. on imports in excess of 51,933 head during any calendar year.
Weighting 175 to 700 lbs. (a).....No.	5,817	82,089	3,430	97,696			7,218	183,246 24c. per lb., if 175 to 700 lbs.	175 to 700 lbs.
Weighting over 700 lbs. (a).....No.	4,880	163,807	31,952	2,088,982			139,900	9,487,794 3c. per lb., if over 700 lbs.	3c. per lb., if over 700 lbs.
Horses, n.o.p.....No.	674	81,372	538	64,001	14,498	1,770,977	8,709	1,128,667 \$30 per head, if valued at not more than \$150; 20% ad val. if valued more than \$150.	\$20 per head, if valued at not more than \$150; 20% ad val. if valued more than \$150.
Poultry, n.o.p.....No.	42,071	22,234	129,791	71,371	220,382	120,413	483,371	202,812 8c. per lb., if chickens, ducks, geese, turkeys, and guineas.	4c. per lb., if chickens, ducks, geese, turkeys, and guineas.
Fish, fresh and frozen—									
Clams, fresh.....Cwt.	3,688	5,857	2,540	5,241	30,377	33,440	40,611	49,527 Free.	Free.
Eels, fresh and frozen.....Cwt.	111	711	52	3,951	1,140	6,015	1,692	11,007 1c. per lb.	1c. per lb.
Haiibut, fresh and frozen.....Cwt.	6,871	63,628	6,121	61,155	33,449	298,030	35,921	335,411 2c. per lb.	2c. per lb.
Herring, sea, fresh and frozen.....Cwt.	40,060	37,551	17,500	6,030	82,584	99,708	99,391	84,721 Free.	Free.
Salmon or lake trout, fresh and frozen.....Cwt.	6,232	62,508	6,470	71,791	22,011	224,808	25,521	280,471 1c. per lb.	1c. per lb.
Lobsters, fresh.....Cwt.	7,711	189,471	7,181	151,801	84,021	1,670,402	94,491	2,026,654 Free.	Free.
Oysters, fresh.....Cwt.	18,677	174,411	5,391	53,131	51,541	532,851	35,501	379,601 2c. per lb.	14c. per lb.
Salmon, fresh and frozen.....Cwt.	9	5	.....	64,081	621,051	39,241	39,241	342,421 Free.	Free.
Smelts, fresh and frozen.....Cwt.	13,974	156,281	8,321	109,631	16,981	193,124	11,051	144,061 2c. per lb.	14c. per lb., if not frozen;
Swordfish, fresh and frozen.....Cwt.									3c. per lb., if frozen.
Tulibee, fresh and frozen.....Cwt.	230	1,397	7	41	15,061	89,697	4,411	32,234 1c. per lb.	3c. per lb.
Whitefish, fresh and frozen.....Cwt.	11,591	135,291	11,901	134,851	81,521	896,801	91,161	1,026,471 1c. per lb.	1c. per lb.
Fish, pickled, salted, and smoked—									
Alewives, salted.....Cwt.	.....	.....	31	301	1,271	2,527	15	41 14c. per lb., net weight.	14c. per lb., net weight.
Herring, sea, smoked.....Cwt.	339	1,591	.....	.....	9,291	32,561	4,473	21,381 14c. per lb., if boned;	14c. per lb., if boned;
Salmon, pickled.....Cwt.	223	3,230	2	71	911	10,708	4	91 25% ad val.	20% ad val.
Fish, canned—									
Clams, canned.....Cwt.	1	14	7	94	1	67	28	200 23% ad val., if razor clams;	15% ad val., if razor clams;
Lobsters, canned.....Cwt.	898	57,817	466	25,467	4,060	250,444	3,496	203,931 Free.	Free.
Fur skins, undressed—									
Beaver.....No.	7,627	107,099	6,638	88,308	31,247	397,203	35,315	538,732 Free.	Free.
Mink.....No.	1,760	15,797	1,375	17,418	92,555	107,814	59,944	894,549 Free.	Free.
Muskkrat.....No.	57,401	90,401	17,851	19,597	266,388	402,010	184,781	266,688 Free.	Free.
Wolf.....No.	846	7,105	1,560	18,992	40,380	342,048	30,504	381,441 Free.	Free.
Leather—									
Harness leather.....	.....	632	.....	2,372	.....	73,608	.....	1,855 121% ad val.	10% ad val.
Patent leather.....	.....	9,683	.....	2,545	.....	.....	.....	49,273 15% ad val.	10% ad val.

(a) Not separately shown prior to April 1, 1936.

(b) Includes "certified seed potatoes" prior to April 1, 1936.

## CANADA'S DOMESTIC EXPORTS TO THE UNITED STATES OF PRINCIPAL COMMODITIES, Etc.—Concluded

Commodities	Month of August				Eight Months ended August				United States Tariff	
	1936		1937		1936		1937		1935	Canada-United States Trade Agreement (Jan. 1, 1936)
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value		
<b>Meats—</b>										
Poultry, dressed or undressed.....Lb.	33,029	8,264	15,796	3,069	172,473	43,437	16,020	\$	10c per lb.	6c. per lb., if chickens and guineas; 10c. per lb., if other poultry.
<b>Milk products—</b>										
Cheese.....Cwt.	28,586	386,247	5,588	79,477	82,459	1,109,741	33,401		7c. per lb., but not less than 25% ad val., if cheddar cheese in original loaves; 7c. per lb., but not less than 35% ad val., if other kinds of cheese.	5c. per lb., but not less than 25% ad val., if cheddar cheese in original loaves; 7c. per lb., but not less than 35% ad val., if other kinds of cheese.
Cream.....Gal.	1,938	2,877	11,559	20,029	8,094	11,235	70,248		56-6/10c. per gal.	35c. per gal.
Whale oil.....Gal.	132,305	28,338			388,846	92,648	360,243		5c. per gal.	56-6/10c. per gal. on imports in excess of 1,500,000 gals. during any calendar year. 24c. per gal.
<b>Wood, Wood Products and Paper</b>										
Wood and products—										
Shingle bolts of pine or cedar.....Cord	13	53	17	63	91	375	526		Free.	Free.
Stave and other bolts, n.o.p.....Cord	5,184	26,409	6,329	32,661	33,408	152,912	34,077		10% ad val.	10% ad val.
Firewood.....Cord	45,039	156,088	13,071	61,353	164,901	532,870	170,790		Free.	Free.
Laths.....M	7,416	72,154	6,701	85,938	42,492	452,057	58,353		Free.	Free.
Logs.....M ft.							20		\$1 per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.	50c. per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.
Masts and spars.....									Free.	Free.
Pickets.....M	1,135	7,803	3,118	20,581	4,448	30,801	21,016		Free.	Free.
Piling.....Lin. ft.	58,804	3,588	272,910	21,859	339,302	24,036	464,875		\$1 per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.	50c. per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.
<b>Planks and boards—</b>										
Flooring of hardwood.....M ft.	32	1,449	95	6,824	329	16,127	1,350		Free, if other kinds.	Free, if other kinds.
Planks and boards, softwood.....M ft.	39,566	914,594	39,570	1,173,846	335,247	7,408,506	336,226		84,752 8% ad val.	4% ad val.
									\$3 per M ft. b.m. Revenue Tax if fir, spruce, pine, hemlock or larch; (a) free, if other kinds of wood, but subject to \$3 Revenue Tax per M ft. b.m.	\$1.50 per M ft. b.m. Revenue Tax if fir, spruce, pine, hemlock or larch; (a) free, if other kinds of wood, but subject to \$1.50 Revenue Tax per M ft. b.m.
<b>Planks and boards, hardwood, n.o.p.....M ft.</b>	3,621	132,742	5,112	207,212	21,098	737,296	35,482		Free, but subject to \$3 per M ft. b.m. Revenue Tax.	Free, but subject to \$1.50 per M ft. b.m. Revenue Tax.
<b>Poles—</b>										
Telegraph and telephone.....No.	32,057	82,412	55,844	171,217	162,509	444,006	268,194		Free.	Free.
Other poles.....No.	25,123	3,201	41,828	3,416	355,073	32,563	52,253		24,246 Free.	Free.
Posts, fence.....No.	140,634	1,093,431	224,646	1,819,717	648,245	4,746,181	896,771		52,447 Free.	Free.
Pulpwood.....Cord	29,437	23,618	34,903	20,323	143,213	115,460	132,345		Free.	Free.
Railroad ties.....No.	228,419	557,665	217,924	619,774	1,373,735	3,525,023	1,481,565		Free.	Free.
Shingles.....Square		1,857		2,264		9,567			Free, if staves; 33 1/2% ad val. if headings.	Free, if staves; 33 1/2% ad val. if headings.



Timber, square, softwood.....	M ft.	57	1,722	119	2,645	3,952	62,881	1,218	30,060	\$1 per M ft. b.m., if fir, 50c. per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds. 254 Free. 8 9,843,254 22,574,671 Free. 254 Free. 36,852,227 67,125,097 Free. Free.
Timber, square, hardwood.....	M ft.	3	124				165			
Wood-pulp.....	Cwt.	1,190,020	2,432,481			8,261,227	10,959,069			
Paper—Newsprint.....	Cwt.	3,900,920	6,826,995	4,771,203	8,781,648	29,710,252	51,518,315			
<b>IRON AND ITS PRODUCTS</b>										
<b>Farm implements—</b>										
Cultivators.....	No.	14	2,464	15	880	1,389	103,657	375		Free.
Drills.....	No.	34	4,169	156	23,060	395	42,147	580		Free.
Harrows and parts.....	No.		1,230		27,541		43,711			Free.
Harrows and binders.....	No.	4	1,139	272	39,213	711	138,859	1,635		Free.
Hay rakes.....	No.	4	193	6	186	156	5,126	168		Free.
Mowers and reapers.....	No.	3	223	5	334	511	29,705	215		Free.
Ploughs and parts.....	No.		30,679		72,676		305,714			Free.
Reaper threshers.....	No.	1	1,256	26	7,238	163	179,979	329		Free.
Parts of farm implements, n.o.p.....	No.	13,293			70,741		390,068			Free.
Ferro-silicon.....	Ton	225	2,833	1,169	31,551	3,305	68,172	9,063		Free.
<b>Ferro-manganese and other ferro-alloys, n.o.p.....</b>										
Skates.....	Pair	804	708	5,000	2,700	132,801	82,600	57,607		15% ad val.
<b>NON-FERROUS METALS AND PRODUCTS</b>										
Cobalt in ore.....	Cwt.	284	18,793	54	3,264	913	52,478	385		Free.
Nickel in matte or speiss.....	Cwt.	11,422	205,402	9,372	188,696	76,708	1,380,560	91,648		Free.
Nickel in oxide.....	Cwt.	3,649	75,886	429	9,012	11,937	238,610	14,848		Free.
<b>NON-METALLIC MINERALS AND PRODUCTS</b>										
Abrasives, artificial, crude.....	Cwt.	122,445	347,721	180,731	515,823	939,188	2,431,096	1,391,871		Free.
Asbestos.....	Ton	7,689	376,683	8,280	453,448	47,405	2,483,295	62,024		Free.
Asbestos sand and waste.....	Ton	14,073	225,544	14,406	230,609	81,356	1,308,739	124,129		Free.
Feldspar.....	Ton	1,153	8,082	2,163	16,488	6,376	42,877	14,457		35c. per ton, if crude.
Gypsum, crude.....	Ton	83,974	96,216	93,276	107,766	252,487	293,259	418,337		Free.
Line.....	Cwt.	21,274	9,446	28,615	12,962	146,883	60,591	150,076		Various
Talc.....	Cwt.	16,900	8,385	11,230	3,474	114,298	57,063	98,804		25% ad val.
<b>CHEMICALS AND ALLIED PRODUCTS</b>										
Acetic acid.....	Cwt.	30,141	161,255	23,788	127,284	182,568	982,697	270,001		14c. per lb. if over 65%.
Cobalt oxides and cobalt salts.....	Lb.			23,456	34,526			88,220		11c. per lb. if oxides; 30% ad val. if salts.
Cyanamid.....	Cwt.	122,702	117,193	103,000	95,989	1,681,419	1,735,691	2,104,719		Free.
Sulphuric acid.....	Cwt.	2,233	1,588	5,517	3,350	11,847	8,424	21,990		Free.
<b>MISCELLANEOUS COMMODITIES</b>										
Organs.....	No.					2	6,793	8		25% ad val.
Total exports of above commodities.....					22,838,977		134,486,910			
Total domestic exports to United States.....			18,475,564				240,752,310			
			44,398,831		44,122,202					

(a) Reduced rates not applicable to imports of Douglas fir or Western hemlock in any calendar year in excess of an aggregate quantity of 250,000,000 feet, board measure.

## WHEAT AND FLOUR TRADE REGULATION IN EUROPEAN COUNTRIES<sup>1</sup>

### VII. Irish Free State

JAMES CORMACK, CANADIAN TRADE COMMISSIONER

#### WHEAT

Dublin, August 23, 1937.—The wheat acreage of the Irish Free State has, under the policy of the Free State Government and largely through the instrumentality of the Agricultural Produce (Cereals) Acts of 1933, 1934, and 1935, increased from 21,000 acres in 1932 to 255,000 acres in 1936. As it is estimated that, with a normal yield, it would require almost a million acres to make the country self-supporting in wheat, it will be seen that at present fully 25 per cent of the total requirements are now home-grown. Unofficial reports indicate a decrease in the acreage from last year but an increase of  $1\frac{1}{2}$  bushel per acre in the yield. New wheat is just coming on the market and is expected to bushel fairly high.

#### DOMESTIC WHEAT PRICES

During the past cereal year the Government, by law, has increased the minimum price to be paid for domestic wheat from 24s. to 27s. per bushel for 62-pound bushel weight wheat. The millers and merchants, who have formed an association for the protection of their interests, agreed last year to pay a price above the guaranteed price of 24s. and did in fact pay 27s. 6d. This was done under Government pressure, owing to low yield resulting from bad weather conditions. For this season association buyers have this week decided to offer as follows for wheat per barrel of 280 pounds: bushelling 62 pounds or over, 30s. 6d.; 59 pounds to under 62 pounds, 30s.; 56 pounds to under 59 pounds, 29s. 6d.; 53 pounds to under 56 pounds, 27s. 6d. The foregoing prices represent an increase of 3s. over those prevailing this time last year.

#### MEASURES TO INCREASE PRODUCTION

Intensive Government efforts to continue the increase in wheat acreage are being maintained, and many areas of ranch, pasturage, and other lands are annually being returned to wheat production through expropriation and the settling thereon of farmers transferred from less fertile areas. This procedure has not always been an unqualified success on account of the inexperience of these farmers in growing wheat and because the pasture lands are too rich in nitrogen, etc., with a resulting tendency toward growth of stalk rather than head in the wheat produced. There seems little doubt, if the present subsidized prices continue to be paid to the growers, that the acreage in wheat will increase rapidly in the next few years.

The chief Government aids to the more intensive local cultivation of wheat are: widespread newspaper propaganda, issue of educational leaflets, supervision by experts, seed experimentation, facilities for cheap purchase of seed, prohibition of imports of wheat except under licence, compulsory milling of an increasing percentage of local wheat for feed and flour, and the fixing of minimum prices according to bushel weight—pursuant to the Agricultural Produce (Cereals) Amendment Act, 1936—payable to the growers by the merchants or millers. The customs duty of 6d. per hundredweight (no preference) on imported wheat, imposed for revenue purposes, was removed in this year's budget.

<sup>1</sup> Earlier reports in this series were published in the *Commercial Intelligence Journal* as follows: United Kingdom, No. 1748; Belgium No. 1751; Germany, No. 1752; Norway, No. 1753; France, No. 1754; Finland, No. 1755.



Wheat of all kinds may be imported by registered importers, under licence of the Minister of Industry and Commerce. These import licences have been freely granted.

#### IMPORTS OF WHEAT

The following table shows imports of wheat into the Irish Free State for the calendar years 1935 and 1936, and for the first six months of the present year:—

#### *Imports of Wheat into the Irish Free State*

Country of Origin	1935 Cwt.	1936 Cwt.	Jan.-June, 1937 Cwt.	1935 £	1936 £	Jan.-June, 1937 £
Great Britain . . . . .	83,877	2,282	457	27,897	1,251	420
Northern Ireland . . . .	59,459	802	.....	19,247	347	.....
Belgium . . . . .	12,374	.....	.....	2,598	.....	.....
France . . . . .	239,123	112,014	.....	58,014	34,065	.....
Netherlands . . . . .	140,423	44	.....	34,674	32	.....
Poland (incl. Danzig) . .	.....	44,800	.....	.....	16,716	.....
Sweden . . . . .	53,576	.....	40	12,519	.....	33
Russia . . . . .	142,586	5,559	.....	47,027	2,129	.....
Morocco . . . . .	43,252	.....	.....	11,101	.....	.....
Argentina . . . . .	389,468	200	162,162	100,782	65	76,268
Canada . . . . .	2,261,625	2,978,799	1,107,155	842,250	1,188,366	642,254
United States . . . . .	.....	289,565	5,000	.....	106,010	2,433
Australia . . . . .	4,132,649	4,361,970	1,396,998	1,229,541	1,619,254	715,822
Portugal . . . . .	.....	166,411	.....	.....	48,524	.....
Hungary . . . . .	.....	41,791	.....	.....	13,167	.....
Yugoslavia . . . . .	.....	20,385	.....	.....	6,184	.....
Total . . . . .	7,558,412	8,024,622	2,671,812	2,385,650	3,036,110	1,437,230

#### FLOUR

The importation of flour into the Irish Free State is totally prohibited, except under licence. In practice these licences are only issued to biscuit manufacturers, who maintain that they require a type of flour containing no admixture of native wheat, which (to the extent of 40 per cent, according to the latest order covering the next cereal year) must be added to imported wheat milled locally. There have been no important developments during the past year, except that the Bread (Regulation of Prices) Act, 1936, was passed, appointing a commission to inquire into conditions in the baking industry. The report of the commission issued this month, states that neither the wholesale nor retail prices charged for bread at present are unreasonably high, and slightly increased prices are approved. By order of the commission, batch bread may not be sold retail at more than 11½d. per 4-pound loaf so long as the standard fixed price for flour remains at 49s. 6d. per 280-pound sack. This high price is the result of subsidized prices for native wheat and of high wages.

#### WAGES AND WORKING HOURS

A sliding wage scale is provided, varying with the minimum price of wheat. The report of the commission reads in part as follows: "Submissions made to us to the effect that the yield per sack is decreasing, as a result of the increase in the percentage content of Irish wheat, were not generally borne out by certified statistical information." Under the Conditions of Employment Act the number of working hours in the baking industry is limited to forty-eight per week, and workers are entitled to a week's holiday in addition to six public holidays per year, all with full pay. In Dublin the wages now paid under the act to table hands and oven-men are increased to 89s. 6d. and 102s. per week respectively.

The following table shows imports of flour into the Irish Free State for the calendar years 1934 to 1936 and for the first six months of the present year:—

*Flour Imports into the Irish Free State*

Country of Origin	1934	1935	1936	Jan.-June,		1935	1936	Jan.-June,
	Cwt.	Cwt.	Cwt.	1937	1934	£	£	1937
Great Britain . . . . .	119,599	116,478	118,650	55,351	45,246	47,313	63,228	39,201
Northern Ireland.. . . .	31,487	5,294	.....	.....	15,311	2,754	.....	.....
Germany . . . . .	7,701	.....	.....	.....	3,112	.....	.....	.....
Hungary.. . . .	1,625	.....	.....	.....	734	.....	.....	.....
Canada . . . . .	407,355	102,429	18,445	5,750	208,328	54,911	10,530	4,842
United States.. . . .	12,033	250	.....	.....	5,344	122	.....	.....
Australia . . . . .	6,240	3,500	1,188	1,188	3,333	1,840	1,058	863
Total.. . . .	586,040	227,951	139,408	62,289	281,408	106,940	74,816	44,906

## AUSTRALIAN WHEAT AND FLOUR

FREDERICK PALMER, CANADIAN TRADE COMMISSIONER

### WHEAT

Melbourne, August 18, 1937.—Wheat and flour exports from Australia for the period December 1 to the week ending August 9 totalled 80,126,536 bushels as compared with 73,642,685 bushels for the corresponding period of 1936 and 75,648,633 bushels two years ago.

The demand for Australian wheat has fallen off, as United Kingdom buyers have more wheat in sight than they require in the near future and are holding off the market. There has been no evidence of Continental buying, and the appearance of Russian supplies has had an adverse effect on the market. Although there will be plentiful supplies of Australian wheat on the United Kingdom market during the next four weeks, a shortage is likely to follow, as the tonnage forward is limited and the export surplus has been reduced considerably.

Since the middle of July Japan has purchased approximately 12,000 tons and further inquiries have been received, but commitments are largely dependent upon developments in northern China. At present, values are too high for the main Eastern markets and, although the China crop may be approximately 20 per cent less than last year, there have been no inquiries from that quarter.

### DOMESTIC VALUES

Domestic quotations have declined slightly, the price to growers at country sidings being 4s. 8d. (Australian currency) per bushel, equivalent to 93 cents Canadian. The f.o.b. price at main shipping points of 5s. 2½d. (Australian currency) per bushel, equivalent to \$1.03 Canadian, is above export parity, consequently shippers are not willing to engage tonnage even though it will take nearly two months for vessels to arrive here from European waters. Farmers have been disinclined to release the remainder of their holdings owing to the dry weather which prevailed for some time, and millers' requirements, though small, are sufficient to absorb offerings.

### NEW CROP

Growth has been slow owing to an unusual number of frosts and the marked deficiency in rainfall, but abundant rains during the past few days have greatly benefited the growing crops in South Australia, Victoria, and New South Wales. In parts of Western Australia, however, rains are urgently needed within the next ten days.



The preliminary estimate of the area sown to wheat for grain in Australia for the season 1937-38 as compared with the final estimate for the 1936-37 season is as follows:—

	1936-37 Acres	1937-38 Acres
New South Wales . . . . .	3,962,000	4,516,000
Victoria . . . . .	2,394,000	2,700,000
Queensland . . . . .	335,000	350,000
South Australia . . . . .	3,058,000	3,115,000
Western Australia . . . . .	2,571,000	2,800,000
Tasmania . . . . .	21,000	25,000
Federal territory . . . . .	1,000	2,000
Total . . . . .	12,342,000	13,508,000

### FLOUR

Trade in flour has been quiet and inquiries are limited. Prices offering are not attractive, but some purchases have been made by millers in order to keep their plants in operation, although on a reduced scale.

Current export quotations (in Australian currency) are £10 10s. per ton of 2,000 pounds in 150-pound sacks (equivalent to \$41.69 Canadian) and £11 per ton in 49-pound calico bags (equivalent to \$43.67 Canadian). The domestic price is £13 for 2,000 pounds (\$51.61).

### CHARTERING

Freight rates generally remain firm, due principally to a substantial increase in international trade. Owners are asking from 46s. to 46s. 6d. per ton on the basis of bulk wheat from South Australia or Victoria for October loading to the United Kingdom or the Continent, and from 6d. to 1s. per ton more for December-January loading. Freight rates are payable in English currency on the basis of 2,240 pounds to the ton.

## ECONOMIC CONDITIONS IN ARGENTINA

J. A. STRONG, CANADIAN TRADE COMMISSIONER

Buenos Aires, August 25, 1937.—The general business situation in Argentina continues to show marked improvement although there seems to be no indication of any change in the system of exchange control as it affects Canada and many other countries.

The present period of marked prosperity within the country can be attributed to greatly increased grain exports and to generally higher prices for agricultural products abroad. Exports for the first half of 1937 show an increase of 87 per cent in volume over the corresponding period of 1936, due largely to the effects of the 1935 drought, which reduced the exportable surplus of wheat last year. The value of exports this year shows an increase of 94.8 per cent.

### IMPORTS AND PUBLIC FINANCE

Only in recent months have imports responded to higher purchasing power, showing an increase of 19.1 per cent over the first half of 1936. The added cost of imports subject to the exchange surcharge of 20 per cent and the high duties are important factors, and the Argentine Government has had to face the problem of disposing of the exchange surplus (due to higher export values) without allowing the peso to appreciate. The favourable merchandise balance to June 30 had reached 740 million pesos or 230 million dollars.

The government has redeemed an important part of the national debt formerly held in foreign currencies and has encouraged provincial and municipal governments to follow a similar course. In recent weeks the Government

has been purchasing, or rather importing, gold already earmarked abroad to add to the gold reserves held in Argentina. Large sums are being spent within the country on public buildings, highways and other national projects. The result is a growing optimism as to the future.

#### LIVESTOCK AND GRAIN

Some slight concern exists as to crop prospects (particularly in respect to flax seed), due to lack of moisture, but the situation is not considered serious, since there is still time for sufficient rainfall. Any possible loss will probably be offset largely by the high grain prices this year. Livestock prices are improving steadily, and it is expected that the meat subsidy, which has been paid to offset in part the effect of the British meat duties, will soon be abolished.

The work of the livestock producers' organization is attracting considerable attention, and the producers have been promised government funds to finance a packing plant, which will permit them to compete directly with privately owned plants. The Minister of Agriculture announced this week that the Government will submit a project for the setting up of a grain farmers' organization before the end of the current year. No particulars are available, although reference was made in *Commercial Intelligence Journal* No. 1747 (July 24, 1937) to the likelihood of something being attempted along this line. It is expected that the new terminal elevator system will be ready within four years; 30 portable country elevators will be tried this season as an experiment.

#### POTATO SITUATION IN ARGENTINA

J. A. STRONG, CANADIAN TRADE COMMISSIONER

Buenos Aires, September 3, 1937.—As was anticipated earlier in the season, a good outlet for certified seed potatoes from the forthcoming crop in Canada has developed in Argentina. Last year, following one of the most severe droughts the country has ever experienced, it was found necessary to purchase seed from abroad as well as a large quantity of table stock. This season there was still a shortage of both seed and consumption potatoes and, while the Government did not consider it necessary to provide financial assistance for the farmers, as was done last year, it was agreed (see *Commercial Intelligence Journal* No. 1738: May 22, 1937) that the growers could afford to purchase probably 300,000 crates (of 110 pounds each), or roughly 210,000 barrels, of certified seed from Canada, the United States, and Europe. It is estimated that Eastern Canada may sell around 250,000 crates this season in Argentina.

#### PURCHASES IN 1936

Purchases of certified seed from Canada and Maine by the Argentine Government last year amounted to 80,200 crates. This seed was distributed direct to 1,010 potato growers and gave exceptionally good results. This was particularly true of the Green Mountain variety from Canada. However, private dealers had imported, in addition to two small shipments from Canada, fairly large quantities of seed stock from Europe. The seed from Denmark and Esthonia also gave quite satisfactory results, and there was some advantage in the matter of price. Consequently it was expected that the estimated demand for 300,000 crates for the present season would be divided, Canada and Maine supplying the Green Mountain variety and Esthonia and Denmark shipping European varieties such as Up-to-Date and Majestic, the respective quantities from these sources depending more on the individual preference of the growers in Argentina than on the actual level of quotations as between the respective sources of supply.



When it was learned that the Argentine Government would not intervene this year, the only outlet for sales was through the regular trade channels. Fortunately the potato dealers, as well as a few large growers, in Buenos Aires decided early in the season that they would place orders to meet their requirements for seed abroad, and through the initiative of Canadian exporters heavy orders were placed at the beginning of April for October shipment from Eastern Canada. Orders for Canadian certified seed, practically all Green Mountain, amounted to some 178,000 crates. Certain of these early buyers have since increased their orders, bringing the total sales reported to date to approximately 200,000 crates. It is considered that the demand for Canadian seed has now been almost completely filled for this season, although some additional small orders may be placed for delivery later in the year for planting in secondary producing zones here.

It might be assumed by Canadian potato growers, from the fact that Argentina purchased seed stock last year and more than trebled those purchases this year, that this market will be an important buyer again in 1938 or that a permanent and regular outlet has been established for Canadian seed. Unfortunately this does not follow; on the contrary, it is considered most unlikely, barring unforeseen conditions, that this country will be in the market for seed next year, irrespective of the fact that the Green Mountain variety has given excellent results in Argentina.

#### FACTORS AFFECTING FUTURE IMPORTS

The official view of the Argentine Ministry of Agriculture is that the acute potato problem of last year was a temporary one and has been solved by the renewal of the seed effected through importations last season and again this year. Dealers and growers agree that there is almost certain to be overproduction in 1938, with a return to the extremely low prices of former years and, consequently, no incentive to pay relatively high prices for imported seed. However rapidly virus disease may spread in Argentina in future, the problem cannot well become acute again for several years.

The Argentine Ministry of Agriculture hold firmly to the view that, with the exception of 1935-36, the disease problem has been readily controlled.

In support of this opinion it is pointed out that over a long period of years previous to 1936 Argentina has been not only self-supporting but an exporter of seed potatoes to neighbouring countries in South America. The official view is that, by continuing the long-established practice of producing foundation stock within the country in a cooler zone and using it for planting in the warmer zones, the seed-producing district (Balcarce) will continue to provide foundation stock, since it is considered, from the point of view of climate, soil, and system of crop rotation followed, to be equal to the best seed-producing districts in other countries. There is a system of official seed certification for potatoes in operation in Argentina.

It is contended in some quarters that the disease control problem may prove to be a more difficult one than is now anticipated, but that it will be several years before it can become sufficiently acute to encourage further large imports of certified seed. Argentina prides herself on the quality, low cost of production, and high yields attained in agricultural production generally, and it has always been accepted that it would be impossible for the Government to sponsor a long-term agricultural policy, as for potatoes, based on importations from abroad, particularly from a competing country, except as a last alternative and more or less regardless of the economic loss that might conceivably be suffered in the interim.

The long-term prospects for future sales of seed in Argentina, therefore, depend on the ultimate success rather than on the degree of success achieved

by the Argentine Ministry of Agriculture in disease control through the operation of their official seed certification system. In the meantime, while a quantity of seed may be imported in certain years by private growers, as in some years prior to 1935, the practice will not receive official encouragement, as during the crisis of the past two years, but the policy will be rather to protect local certified seed growers in their home market and to encourage them to renew exports to neighbouring countries in South America.

#### PRODUCTION AND IMPORTS FOR CONSUMPTION

Argentina normally plants around 375,000 acres in potatoes annually, and until 1936 supplied local consumption requirements from the domestic crop except in a few years. The total imports of potatoes to Argentina for the twelve-year period from 1924 to 1935 aggregated only 1,080,000 crates, of which 106,000 crates were classified as seed. Following the crop failure of 1935-36, imports reached a total of 2,687,000 crates last year, of which only 158,900 crates were certified seed and the remainder table stock. Holland supplied nearly 70 per cent of the table stock in 1936 and will probably maintain her position again this year.

During 1935 Argentine imports of seed and table stock amounted to only 11,600 crates, so that the local crop supplied the demand. Imports of table stock were heavy last year, as indicated, and are heavy again this year, being drawn from almost every country that produces potatoes on a commercial basis. Dutch table stock was on the market early in August, and it was reported that 1,000,000 crates had been ordered for shipment from this source to the end of September. The demand will fall off sharply before November, as new local potatoes will then be available. West Coast firms are reported to have filled orders for shipment in September, and potatoes from the early crop in the United States, mostly Virginian, have been purchased. These are consumption potatoes, but some may eventually be planted here this fall.

#### PRICES

Seed potato quotations from Eastern Canada have been considered fair by buyers, as they expect to pay a premium for the Green Mountain variety over European certified seed prices. Esthonia is believed to have obtained orders for some 30,000 crates last April, when the bulk of the Canadian seed was ordered, for October delivery. Danish seed has also been sold at 8s. 4d. and 8s. 5d. sterling per crate c.i.f. Buenos Aires, or approximately \$2 to \$2.10 Canadian, and it is estimated that 140,000 crates of seed have been sold for shipment this fall to Buenos Aires. Similarly, Germany has supplied around 40,000 crates of seed this year. Argentina has taken, therefore, approximately 450,000 crates of certified seed, divided more or less equally between Canada and Europe. Maine shippers have also placed some orders here. It is considered that the demand in Argentina this year for certified seed potatoes will be almost completely filled by the middle of September, although a demand for potatoes at consumption prices may continue for another week or so in competition with supplies from Holland and the United States.

Exporters of Dutch consumption potatoes are selling at around the equivalent of \$1.78 Canadian per crate c.i.f. Buenos Aires. Prices are expected to weaken for later shipments. As the duty on consumption potatoes is approximately 25 cents per crate, the landed price for Dutch potatoes is around \$2, which is approximately equal to the landed price for certified seed from Denmark. Certified seed enters free of duty. It is considered that consumption stock for Argentina must arrive before November 15, as domestic stock will then be on the market. As previously stated, there are heavy shipments of Dutch stock en route now. Preferential exchange is being granted so far this year for both seed and consumption potatoes, irrespective of country of origin.



### DUTIES AND PACKING

Seed potatoes, providing shipments are declared as such, are accompanied by a government certificate, are packed in 50-kilo (110-pound) crates, and are admitted free of duty. The crates can have a maximum weight of 110 pounds and must be constructed with a division through the centre.

All shipments must be accompanied by an inspection and health certificate in addition to the usual shipping documents viséd by an Argentine consul. Four copies of the consular invoice are required. Containers should be strong and well wired to prevent breakage.

Consumption potatoes are dutiable on an ad valorem basis at 10 per cent on a fixed valuation of \$2.40 Canadian per 110-pound crate. There are no official restrictions covering packing as in the case of certified seed. European shippers use crates exclusively and, while bags could be used, it is considered that the risk of deterioration in the long voyage to Buenos Aires would make the use of bags altogether inadvisable. All potatoes should be offered only subject to payment in Canada under an irrevocable letter of credit.

### OUTLOOK FOR FURTHER SALES

In view of the fact that the vessels carrying the seed already sold for shipment next month will be due to arrive in Buenos Aires from October 25 to probably November 10, and as table stock must arrive by November 15 or before the new crop here breaks prices, there is little prospect of Canadian exporters being able to obtain orders for table stock after this report is published. It is stated here that Dutch and other European firms have booked orders in advance to meet the consumption demand, so that it cannot be expected that Argentina is in a position to absorb any appreciable quantity of potatoes in addition to the certified seed already sold this year.

### EXCHANGE SITUATION IN URUGUAY

J. A. STRONG, CANADIAN TRADE COMMISSIONER

Buenos Aires, August 24, 1937.—Uruguay has a system of exchange control which now operates on the same principle as the control system in Argentina. It takes the place of, and is equally as effective as, a preferential tariff in favouring imports from countries that are important consumers of exports from Uruguay. All exchange transactions in respect of either exports, imports, or private remittances abroad are under official control.

In Argentina there is a fixed differential of 20 per cent against excess imports from all countries. It is impossible to state the Argentine interpretation of what constitutes excess imports, as it is not published officially, but the guiding principle is that the 20 per cent will not apply against a particular country on imports up to the equivalent value of that country's normal annual purchases from Argentina. The position is definitely established in the case of certain countries as the United Kingdom, Holland, Belgium, Germany, and Italy, which have exchange treaties in force with Argentina, but a non-treaty foreign country is not given credit at present for abnormal purchases made in any given year from Argentina. The only case where excess imports are admitted free from the 20 per cent surcharge is when commodities considered as prime necessities to the economy of Argentina are involved, and only then if there are not definite alternative sources of supply.

### OPERATION OF THE EXCHANGE CONTROL SYSTEM

Uruguay is more specific than Argentina in her interpretation of what comprises an excess of imports from any foreign country. Uruguay establishes each quarter a fixed exchange quota for the principal countries. Imports are admitted

up to the amount of this quota and can be paid for at a fixed rate of exchange. However, imports of a value in excess of the fixed exchange quota are subject to an exchange surcharge of up to 10 per cent, which is equivalent to an additional ad valorem duty, and the goods involved are subject to a surcharge also on the duty normally applicable at the customs house.

Uruguay does not grant exchange quotas to all countries, since many are not appreciable purchasers of her exports. A country to which no exchange quota is allotted is in the same position as an exchange-quota country after its quota has been exhausted for the quarter. Consequently imports from non-exchange-quota countries, such as Canada, are treated in the same manner and subject to the same surcharges as excess imports from quota countries, except that there is authority vested in the exchange control authorities to refuse entirely to admit imports of particular commodities from non-quota countries. In practice the differential against such imports is so high that apparently it has not been found necessary to exercise this authority.

#### IMPORTS OF NECESSITIES

The only exceptions made by Uruguay in applying these preferential exchange and duty surcharges are in the case of certain commodities considered necessities. Newsprint and farm implements comprise the bulk of the imports from Canada into Uruguay. These two commodities are considered necessities and so have been declared exempt from the surcharges.

In practice the preferences on imports as between supplying countries are higher in Uruguay than under the straight 20 per cent preference in effect in Argentina. Apart from the exemptions cited for newsprint and farm implements, which affect Canada directly, Uruguay applies a 10 per cent surcharge plus a duty surcharge which varies with the commodity concerned, and in practically all cases the two surcharges combined are considerably higher than 20 per cent. This makes competition with countries such as the United Kingdom, the United States, and Germany—all three of which are entirely free from the surcharges on all their exports, being large purchasers of Uruguayan products—very difficult at present, except possibly in the case of a few products.

The exchange quota system as used in Uruguay—and also in Argentina, although the quotas are not published by the latter country—is little different from the commodity quota system used in some other countries, except that an exchange quota is more comprehensive in that it affects either directly or indirectly all imports. In addition, it is wider in its application and leaves more to the discretion of the authorities concerned in its operation as a medium whereby preferences as between countries can be made effective.

### BOLIVIAN ECONOMIC AND COMMERCIAL CONDITIONS

M. J. VECHSLER, CANADIAN TRADE COMMISSIONER

Lima, August 19, 1937.—There was a slight improvement in internal economic conditions in Bolivia during 1936, due largely to an increase in world prices of basic commodities. Since the economic life of Bolivia is almost solely dependent upon an extractive industry, largely based on the production of tin, world prices of this commodity have a decided effect on the economy of the country.

#### EXPORTS

During the year under review quotations for those products which Bolivia exports, with the exception of tin, were firmly maintained, but an increase was noted in some of them in relation to prices in 1935. Bolivian exports in 1936



of all mineral products other than tin were appreciably above those of 1935. In the case of tin the value of exports in 1936 was £6,974,568 as against £7,336,023 in 1935. Of total exports in 1936, 71·4 per cent consisted of tin, 26·46 per cent of other minerals, and 2·14 per cent was accounted for by other products. Tin exports in 1935 amounted to 77·82 per cent of total Bolivian exports. Bolivia does not export any manufactured articles.

The following table shows values in pounds sterling of the commodities exported by Bolivia in 1936, together with the percentage of the total export value credited to each:—

*Bolivian Exports in 1936*

	£	Per Cent
Tin . . . . .	4,979,903	71.40
Silver . . . . .	779,694	11.18
Lead . . . . .	249,268	3.57
Antimony . . . . .	212,602	3.05
Zinc . . . . .	201,893	2.90
Wolfram . . . . .	159,855	2.29
Copper . . . . .	122,585	1.76
Silver sulphates . . . . .	79,888	1.15
Peruvian bark . . . . .	68,563	0.98
Coca leaves . . . . .	52,386	0.75
Bismuth . . . . .	31,832	0.46
Leather . . . . .	28,135	0.40
Sulphur . . . . .	5,168	0.07
Mercury . . . . .	2,796	0.04
Total . . . . .	6,974,568	100.00

NOTES ON EXPORTS

Exports of silver weighed 9,220,964 fine ounces as compared with 7,960,100 ounces in 1935 and 4,244,050 ounces in 1934. Shipments of silver sulphates weighed 938,255 ounces.

Bolivian lead exports had a total weight of 14,384 tons, an increase from 9,741 tons in 1935 and 11,370 tons in 1934. During 1936 the average price was £17 9s. 6d. as against £14 6s. in 1935 and £10 19s. 5d. in 1934.

Antimony exports also increased from 3,401,914 fine kilos in 1935 to 6,438,181 in 1936. Antimony quotations were lower in 1936, having averaged 6s. 6d. as against 7s. 4d. in 1935 and 4s. 3½d. in 1934.

Zinc exports had a total weight of 13,635 tons, almost double the figure of 7,785 tons recorded in 1935. Average quotations were £14 11s. 5d. per ton as against £14 4s. in 1935 and £13 5s. 6d. in 1934.

Exports of wolfram rose also from 853,490 fine kilos in 1935 to 1,018,811 in 1936. The average price of this commodity was £1 11s. 6d. per ton in 1936 in comparison with £1 14s. in 1935.

IMPORTS

Complete returns covering Bolivian imports during 1936 are not as yet available, but published figures, which include those for the largest importing centres of the country, show that importations were valued at £2,810,502. There was a favourable visible balance of trade amounting to £4,097,005.

Of the total import value, imports termed "of prime necessity" accounted for £621,033, or 22·09 per cent. Articles imported for factories, such as new machinery, repairs and prime materials, were valued at £224,279 and represented 7·98 per cent of the total imports. Imports for commerce in general amounted to £801,671, or 28·53 per cent of the total; those for railways, light and power, and aviation purposes amounted to £167,590, or 5·96 per cent; and imports by mining companies represented £742,689, or 26·43 per cent of total imports. Among the articles of prime necessity, wheat for milling purposes accounted for £202,009, and sugar for £113,908 out of the total of £621,033.

The following figures indicate the statistical returns, so far available, of the importations into Bolivia in 1936, with percentages of total import values:—

*Importations into Bolivia of Articles of Prime Necessity.*—Total, £621,033: wheat for milling, £202,009 (32·53 per cent); sugar, £113,908 (18·34); cotton for shirtings, etc., £79,057 (12·73); gasolene, £68,251 (10·99); drugs, £63,523 (10·23); rice, £40,985 (6·60); foodstuffs, £38,080 (6·13); and kerosene, £15,220 (2·45 per cent).

*Manufactures.*—Total, £224,279: beverages (barley, bottles, etc.), £53,794 (23·99 per cent); wool (wool and anilines), £40,775 (18·19); sundries, £32,841 (14·65); hats (crowns), £16,392 (7·31); candles (paraffin in paste), £15,200 (6·78); shoes (materials), £13,951 (6·23); cement (petroleum), £11,386 (5·08); soaps (prime materials), £8,277 (3·70); alcohols (tin-plate), £6,602 (2·95); furniture (lumber), £5,817 (2·60); hosiery (threads), £5,699 (2·55); knitted goods (threads), £5,544 (2·48); tinned foods, £4,527 (2·03); and cigarettes (paper), £3,254 (1·46 per cent). Items in parentheses are those of most importance in the group indicated.

*Commerce in General.*—Total, £801,671: cotton fabrics, £141,685 (17·67 per cent); sundries, £119,128 (14·86); woollen fabrics, £69,026 (8·61); automobile trucks, £66,317 (8·27); hardware, £58,064 (7·24); automobiles, £41,492 (5·18); silk fabrics, £32,064 (4); construction materials, £28,719 (3·58); lumber, £21,092 (2·63); repairs, automobiles and trucks, £19,558 (2·44); wheat flour, £19,201 (2·4); preserved foods, £18,991 (2·33); sewing thread, £17,165 (2·14); paper for manufacturing purposes, £17,032 (2·13); lubricants, £15,277 (1·91); liquors, £14,273 (1·78); automobile and truck tires, £13,655 (1·71); electrical goods, £12,918 (1·61); hosiery, underwear, etc., £10,825 (1·35); commercial machines, £10,473 (1·31); radios, gramophones, etc., £10,030 (1·26); edible oil, £9,905 (1·24); tea, £7,640 (0·95); shirtings, £5,857 (0·73); newsprint, £5,201 (0·65); anilines, £5,118 (0·64); stationery, £4,705 (0·59); seeds, £2,425 (0·31); baling canvas, £1,919 (0·24); and cattle, £1,916 (0·24 per cent).

#### GOVERNMENT REVENUES

Revenues amounted to 100,555,065·83 bolivianos during the year. The budget had anticipated an income of 85,701,811 bolivianos as against an expenditure of 130,135,216 bolivianos. The National budget for 1937 anticipates a total income of 200,066,876 bolivianos and a like expenditure.

#### PUBLIC DEBT

The external debt as of December 31, 1936, amounted to U.S.\$85,216,467, this figure being understood to include interest and amortization, still unpaid. The country has not serviced this external debt since 1931, and the National budget for 1937 does not contemplate renewal of service.

In addition to the above, as of December 31, 1936, Bolivia owed the Chase National Bank some £984,664 resulting from the balance of a loan guaranteed by the Central and Commercial Banks, and the balance of loans in sterling granted by one of the railways, the service for which was to be looked after by the Government with special resources.

The internal debt, as of the same date, amounted to bolivianos 433,264,173·71.

#### CHILEAN EXCHANGE CONTROL

M. J. VECHSLER, CANADIAN TRADE COMMISSIONER

Lima, August 25, 1937.—Under the system of exchange control in operation in Chile, supervision is exercised through the medium of the Commission for International Exchanges. Exporters are required to turn over a certain proportion of the foreign currency obtained for their exports, and the balance, known as "export" or "barter" exchange, can be used in payment of approved imports or sold to third parties for that purpose. In granting permits the Commission for International Exchanges always gives preference to applications for exchange to purchase raw materials for Chilean industry, goods of prime necessity, and drugs and medicines. Importers must obtain permission from the commission to purchase foreign exchange.



Imports from countries whose purchases of Chilean goods have been such as to restrict or lessen the amount of exchange available are subject to import licences, the issue of which is in a large measure dependent upon the amount of Chilean products taken in exchange. With the object of curtailing illicit exchange operations, the customs authorities have been instructed not to clear imports unless the documents presented carry the endorsement either of the Exchange Control Commission or of a commercial bank testifying to the origin of the foreign exchange used in payment or showing that the commission has authorized a barter transaction.

Regarding those countries with which Chile has compensation agreements or treaties, a decree was issued on March 28, 1936, stating that, until further notice, from funds available in foreign money intended for the import of merchandise into Chile and retained in virtue of treaties or compensation agreements, in which it is established that the Chilean Government shall fix the type of exchange, payment will be made in Chilean currency at the rate of 135 per cent of the official rate of exchange fixed by the Central Bank of Chile on the date of payment.

#### CHANGE IN SITUATION

In October last a new aspect of the exchange situation appeared through the introduction by the Government of what might be termed a new "rate," the purchase price of gold being fixed at 30 pesos to the dollar. The Chilean authorities decided that such gold as was produced from the gold washings was to be used only for the importation of "luxury" articles.

From May to October, imports of automobiles, radios, and certain other luxury goods, including silk hosiery, had been prohibited, since exchange would not be granted in payment for these commodities. An import quota for automobiles has since been fixed at 1,800 per year, distributed as follows: United States, 85 per cent; Germany, 10 per cent; France,  $3\frac{1}{2}$  per cent; Italy,  $\frac{2}{3}$  of 1 per cent. Exchange in payment for automobiles and the articles enumerated below is provided from the gold washings. The rates obtainable, however, vary, as that for automobile tires is apparently 35 pesos to the dollar and for automobile trucks 30 pesos to the dollar.

The new rate of exchange applies to the following articles: automobiles, trucks, parts, and tires; radios and parts; gramophones, phonographs, and parts; liquors in general; articles of silk; furs of fine hair; candies, biscuits, chocolates, etc.; shoes, hats, gloves; ready-made clothing; carpets, rugs; articles of fine crystal; furniture; articles of leather; articles of sport; travelling bags and handbags; gems, jewellery of all kinds, imitation jewellery; pictures, paintings, and carvings; and toys.

#### PRESENT SITUATION

The exchange situation has improved since the first of the year as the result of better conditions in the Chilean copper market and increased exports of nitrates, wool and frozen meats. As the result of more exchange having become available, the situation has eased to such an extent that a repetition of the stringent conditions experienced last year is not expected. Permission is now granted for the purchase of foreign currencies even though the goods may be en route or about to be shipped; this applies to all countries (including Canada). Goods of Canadian origin may now be freely imported into Chile, payment being made on the basis of 25 Chilean pesos to the Canadian dollar, the same rate as for United States dollars.

## FOREIGN TRADE OF GUATEMALA, JANUARY TO JUNE

S. G. MacDONALD, ASSISTANT TRADE COMMISSIONER

Mexico City, September 14, 1937.—Preliminary statistics of the foreign trade of Guatemala for the first half of 1937 indicate an improvement in conditions compared with the corresponding period in 1936. Imports show an increase of 49.9 per cent and exports an advance of 0.8 per cent.

### DISTRIBUTION OF TRADE

The United States and Germany were the principal factors in the Guatemalan foreign trade; together they supplied some 77 per cent of the total imports and purchased 79 per cent of the exports. The United States continued to be the chief source of imports, supplying 46.4 per cent of the total, and also the principal market for Guatemalan products, taking some 59.3 per cent.

Germany's importance as a source of supply has increased greatly during the past two years. This has been due mainly to the wide use of "aski" marks and to the virtual barter system, whereby coffee is purchased by Germany in large quantities, the proceeds being mainly used to buy German goods. There has, however, been a decline during the past year in sales to Germany, as a result of which the United States has benefited owing to the greater ease of obtaining exchange, the increasing market there for Guatemalan products, its proximity to Guatemala, and better steamship connections.

The proportion of sales to the United States has consistently increased during the past three years from 49 per cent of the total in the first half of 1935 to just under 60 per cent in the corresponding period of 1937. Conversely, the exports to Germany have consistently declined from 24.8 per cent to 19.3 per cent for the respective half years. Czechoslovakia in the first half of 1937 showed important increases in purchases over the corresponding period in the previous year; this was due to the fact that hitherto shipments were made via Germany and were credited to that country. Other notable features of the trade for the first half-year of 1937 were the decline in total volume for the United Kingdom, Mexico, and the Netherlands, and the decided drop in imports from Japan from \$415,703 in the first half of 1935 to \$27,795, or 0.34 per cent, in the corresponding period of 1937.

### IMPORTS AND EXPORTS

The following statistics, the only ones available, indicate the trend of Guatemalan foreign trade during the first six months of 1937, 1936, and 1935, values being given in thousands of Canadian dollars:—

#### *Imports into Guatemala*

	Jan.-June 1937		Jan.-June 1936		Jan.-June 1935	
	\$1,000	Per Cent	\$1,000	Per Cent	\$1,000	Per Cent
United States . . . . .	\$3,831	46.4	\$2,205	40.1	\$2,191	43.9
Germany . . . . .	2,525	30.6	1,598	29.0	805	16.2
United Kingdom . . . . .	651	7.9	544	9.9	520	10.4
Czechoslovakia . . . . .	189	2.3	29	0.5	5	0.1
Mexico . . . . .	175	2.1	286	5.2	249	5.0
Other countries . . . . .	878	10.7	841	15.3	1,219	24.4
Total . . . . .	\$8,249	100.0	\$5,504	100.0	\$4,989	100.0



*Exports from Guatemala*

	January-June 1937		January-June 1936		January-June 1935	
	\$1,000	Per Cent	\$1,000	Per Cent	\$1,000	Per Cent
United States . . . . .	\$ 6,558	59.3	\$ 6,282	57.2	\$3,854	49.0
Germany . . . . .	2,135	19.3	2,273	20.7	1,951	24.8
Netherlands . . . . .	572	5.2	768	7.0	765	9.7
Sweden . . . . .	538	4.9	536	4.9	575	7.3
Czechoslovakia . . . . .	237	2.1	216	2.0	.....	.....
Other countries . . . . .	1,024	9.2	902	8.2	715	9.2
Total . . . . .	\$11,064	100.0	\$10,977	100.0	\$7,860	100.0

Canada is not shown separately in the statistics, but information received from sources in the trade, covering a wide variety of commodities, indicates that there was a fair increase in shipments to Guatemala from the Dominion during the first half of 1937 as compared with the same period in the two preceding years, while exports of coffee from Guatemala to Canada have increased considerably.

**EXCHANGE CONTROL IN NICARAGUA**

W. J. RIDDIFORD, CANADIAN TRADE COMMISSIONER

Panama City, September 11, 1937.—A new law has been passed in Nicaragua, which effects several changes in the exchange control system. Although many features of the system remain unchanged, possibly a brief review of the entire situation would be of interest at this time.

**EXCHANGE CONTROL COMMISSION**

The Exchange Control Commission of Nicaragua is composed of three members, the Minister of Finance (chairman), the General Manager of the Banco Nacional of Nicaragua, and the Collector General of Customs. An Exchange Controller, appointed by the President of the Republic, also attends the meetings of the Exchange Control Commission, but has no vote and attends merely in an advisory capacity.

The more important powers and duties of the Exchange Control Commission are: (a) to ensure the strict observance of the exchange control law and to supervise the work of the Exchange Controller, (b) to establish from time to time the buying and selling rates for foreign exchange, (c) to decide upon the recommendations and suggestions of the Exchange Controller, (d) to adjust complaints and objections raised against the decisions and rules of the commission, (e) to decide upon whatever restrictions it may be necessary to place upon the sale of foreign exchange, and (f) to impose fines for infractions of the exchange control law.

**DUTIES AND POWERS OF THE EXCHANGE CONTROLLER**

The new law provides that the Exchange Controller shall be its Executive. In other words, the duties and powers of the Exchange Controller are such that he is responsible for the strict observance of the law as well as of the regulations and rulings of the Exchange Control Commission. The Exchange Controller is in actual control of the buying and selling of foreign exchange, and each transaction must be authorized and approved by him. He is empowered to take whatever steps may be necessary to prevent speculation in foreign exchange, and to this end he or his deputies may inspect the books and documents of operators. He is required to keep the Exchange Control Commission informed regularly regarding sales and purchases of foreign exchange and the balance of foreign payments, and must publish in the *Gaceta Oficial*, not later

than the tenth day of each month, statistics showing the movements of foreign exchange during the previous month, together with whatever data he considers should be made public.

### CONTROL OF EXPORTS AND IMPORTS

An important provision of the new exchange control law empowers the Exchange Control Commission to supervise the exportation of national and other products, for the purpose of ensuring that their value in foreign exchange has been or will be returned to the country and surrendered to the Banco Nacional. Importations into Nicaragua also will be supervised by the Exchange Control Commission with a view to apportioning and qualifying them according to the actual needs of national commerce and industry. Foreign trade carried on under "compensation" arrangements is not exempt from the control of the Exchange Control Commission, which is empowered to cancel such arrangements if their cancellation appears to be in the best interests of Nicaragua.

### GOLD

Only the Banco Nacional is permitted to buy and sell gold. Assaying must be done in Managua under the direction of the Banco Nacional unless, under a special arrangement with the bank on the basis of a satisfactory bond or guarantee, the exportation of gold for assay abroad is authorized. The Banco Nacional is required to pay the daily international price for gold purchased, after deducting whatever taxes, expenses, and commissions may be chargeable against each transaction.

### PURCHASES AND SALES OF FOREIGN EXCHANGE

Only the Banco Nacional may sell foreign exchange or foreign currencies. This provision makes it necessary for all other banks operating in the republic to purchase their foreign exchange from the Banco Nacional. In other words, any commercial bank operating in Nicaragua must sell all of its foreign exchange to the Banco Nacional and then buy back from the same institution whatever foreign exchange they require and are permitted to purchase by the Exchange Control Commission. This provision of the new law also prohibits "street" or "curb" operations, but how effectively they can be controlled remains to be seen.

### LIQUIDATION OF FROZEN CREDITS

Provision is made in the new law for the liquidation of the frozen credits lying on deposit in cordobas in Nicaragua and amounting at the present time to approximately U.S.\$2,500,000. This sum, which represents delayed remittances to foreign exporters in payment for merchandise already imported into Nicaragua, a large percentage of which is from one to two years past due, is to be liquidated gradually out of the proceeds of a new tax. The law now provides for a tax of  $7\frac{1}{2}$  per cent on all purchases and sales of foreign exchange. The Banco Nacional is required to collect this tax and credit it to the Ministry of Finance. The proceeds of this tax will be used for the gradual liquidation of existing commercial debts consisting of collections deposited in cordobas and awaiting remittance abroad, and for the payment of the salaries and expenses of the Exchange Control Commission; any credit balances remaining shall be credited to the general revenue of the country.

Apparently it is the desire of the Nicaraguan Government to liquidate the frozen credits and, providing that the expenses and salaries of the Exchange Control Commission are not unduly high and that too much of the proceeds



of the 7½ per cent tax on foreign exchange transactions is not credited to the general revenue of the country, it should be possible to liquidate the present commercial debt within a few years.

The commercial debt or frozen credits, amounting to approximately \$2,500,000, has been up to the present the responsibility of individual importers. In other words, the banks have accepted cordobas in payment of collections only provisionally, and the onus of obtaining the necessary foreign exchange and remitting it to foreign creditors has remained on Nicaraguan importers. The new exchange control law seems designed for the assumption of this commercial debt by the Nicaraguan Government, which will now be responsible for its ultimate liquidation. It is believed that, in the interests of the credit of the country, the Nicaraguan Government intends to make an immediate partial cash payment for this purpose. The situation as regards these frozen credits appears brighter now than it has at any time during the past two or three years.

#### PAYMENTS TO FOREIGN CREDITORS

The Government of Nicaragua is empowered to negotiate an agreement with foreign creditors for the liquidation of the existing commercial debt, consisting of collections deposited by importers in cordobas pending remittance abroad, but the amount mentioned in such an agreement is limited to the equivalent in cordobas of U.S.\$2,500,000. Any agreement reached must not provide for more than a 10 per cent cash payment, the balance to be payable within five years and to bear interest at a rate not exceeding 4 per cent per annum.

If a sufficient number of foreign creditors will agree to such an arrangement, the Government of Nicaragua will proceed to recognize the debt at its equivalent in cordobas at the rate of cordoba 1·10 equals U.S.\$1, which was the rate at which the original provisional deposits were accepted. An immediate spot cash payment will be permitted, and the Government is authorized to issue promissory notes for balances outstanding.

Foreign creditors who will not accept such an arrangement are not to be discriminated against in any way, but the Exchange Control Commission is required to make certain that any settlements arranged separately shall not in any way hinder or impede the liquidation of debts owing to foreign creditors who have accepted the Government's arrangement.

#### SUGGESTION TO CANADIAN EXPORTERS

The wording of the new exchange control law of Nicaragua is not entirely clear on the point as to whether or not the prior authority of the Exchange Control Commission is necessary before Nicaraguan importers may order foreign merchandise. In the circumstances and pending the receipt of instructions from their Nicaraguan connections, Canadian exporters should not make shipments to Nicaragua unless an authorized order form bearing the stamp and approval of the Exchange Controller is received with an order. Presumably such an order form must be presented to a Nicaraguan consul before the necessary consular invoices will be issued. For the time being, therefore, Canadian exporters should be guided in this respect by the information contained in the report on Exchange Control in Nicaragua published in *Commercial Intelligence Journal* No. 1696 (August 1, 1936).

Although the new exchange control law of Nicaragua appears to be a step in the right direction and may do much to restore the credit of the country, the situation remains somewhat uncertain, and Canadian exporters are advised, therefore, to continue to demand cash with order.

## CONDITIONS IN THE HONGKONG FLOUR MARKET

V. E. DUCLOS, CANADIAN TRADE COMMISSIONER

Hongkong, August 17, 1937.—Imports of flour into Hongkong during the second quarter of 1937 amounted to 15,236 tons (U.S.\$780,367) as compared with 11,153 tons (U.S.\$394,926) for the first three months of the year.

Australia was credited with 9,020 tons (U.S.\$441,240) as against 7,234 tons (U.S.\$237,186) for the first quarter. Canada's share of this trade showed a marked increase, being recorded at 3,103 tons (U.S.\$164,929) as against 1,965 tons (U.S.\$76,914). North China was third in importance with 1,241 tons (U.S.\$63,866) as against 1,015 tons (U.S.\$40,685). The United States contributed 1,256 tons (U.S.\$73,906) as compared with 828 tons (U.S.\$35,825). Imports from Japan amounted to 616 tons (U.S.\$26,426) as against 111 tons (U.S.\$4,316) for the first three months of the year.

### PRICES

During the past few months prices have fluctuated within narrow limits and, with the exception of the month of June when heavy sales were made below market values in order to liquidate accumulated stocks, the market has remained steady.

As the result of the embargo on the export of flour from North China which was brought into force during the month of July, there have been large sales at rising prices. The Nanking Government permitted a number of small shipments to South China towards the end of July in order that old contracts might be liquidated, but Shanghai millers have been advised against entering into new contracts for export shipments.

In view of the present disturbed political conditions in North China, it would appear that no flour supplies from that territory will be available for some time, and importers are of the opinion that this should result in the maintenance of a steady flour market in Hongkong.

The present average quotations on the several grades and qualities of flour are as follows:—

U.S. Club Straight . . . . .	U.S.\$5.70 per barrel c.i.f.
U.S. Cutt Off . . . . .	U.S.\$4.05 to 5.30 per barrel c.i.f.
Canadian 1st Clear . . . . .	U.S.\$5.55 to 6.40 per barrel c.i.f.
Canadian Patent . . . . .	U.S.\$6.20 per barrel c.i.f.
Australian . . . . .	£10 9s. to £10 16s. per ton
Shanghai . . . . .	U.S.\$3.90 per barrel c.i.f.

Present stocks on hand are estimated at 121,000 bags, comprising Australian 83,000 bags, Canadian 28,000 bags, American 9,000 bags, and Shanghai 1,000 bags.

## TRADE OF HONGKONG, JANUARY TO JUNE, 1937

V. E. DUCLOS, CANADIAN TRADE COMMISSIONER

(All values are in Hongkong dollars; HK\$1 equals \$0.30 Canadian)

Hongkong, August 25, 1937.—Statistics just published covering the trade of Hongkong for the first six months of 1937 show that the combined declared values of imports and exports of merchandise totalled \$505,300,000 as compared with \$375,800,000 in the first half of 1936, an increase of 34.5 per cent.

Imports amounted to \$286,400,000 as against \$212,300,000 for the corresponding period of 1936, an increase of 34.9 per cent; while exports totalled \$218,900,000 as against \$163,500,000, an increase of 33.9 per cent.



## IMPORTS AND EXPORTS BY COUNTRIES

Increases in value were recorded during the period under review, as compared with the first half of 1936, in the shares of thirty-two of the thirty-nine countries contributing to the import trade of Hongkong; in the case of exports, increases were credited to thirty-four of the forty consuming countries.

The following table gives the total values of imports and exports by principal countries for the first six months of 1937 and 1936:—

	Imports		Exports	
	January-June 1937	1936	January-June 1937	1936
	Thousands of Hongkong Dollars			
Total . . . . .	286,449	212,292	218,869	163,451
United Kingdom . . . . .	20,198	13,536	10,229	6,009
Australia . . . . .	6,261	4,006	1,109	791
Burma . . . . .	2,130	320	1,769	1,145
Canada . . . . .	3,315	1,850	1,421	1,062
India . . . . .	2,981	1,956	2,207	1,951
British Malaya . . . . .	5,024	3,069	16,917	11,392
Br. N. Borneo . . . . .	1,100	962	749	469
Belgium . . . . .	5,498	2,844	399	924
North China . . . . .	37,549	31,993	16,650	11,002
Middle China . . . . .	4,326	3,632	14,389	9,139
South China . . . . .	46,556	33,720	61,264	51,625
France . . . . .	1,389	996	1,007	2,283
Indo China . . . . .	23,717	15,556	10,883	7,991
Germany . . . . .	16,117	11,766	2,871	1,538
Holland . . . . .	2,878	1,174	1,324	868
Italy . . . . .	1,120	92	42	8
Japan . . . . .	38,180	26,062	13,161	7,391
Kwongchow . . . . .	2,869	2,756	4,950	4,875
Macao . . . . .	4,073	2,945	7,521	6,281
Netherlands India . . . . .	24,442	15,365	6,448	3,664
Philippines . . . . .	1,595	660	6,476	6,091
Siam . . . . .	13,823	16,414	7,678	7,069
South America . . . . .	1,104	131	1,605	1,072
United States . . . . .	14,909	16,706	17,870	13,138

With the exception of China, the United States, and Siam, all principal countries showed increases in their percentages of participation in the import trade of Hongkong, the following being the shares credited to each of the chief countries of supply for the January-June period of 1937, together with comparative percentages for the corresponding period of 1936 shown within parentheses: China 30.9 (32.7); Japan 13.3 (12.3); Netherlands India 8.5 (7.2); United Kingdom 7.1 (6.4); United States 5.2 (7.9); Indo-China 8.3 (7.3); Siam 4.8 (7.7); Germany 5.6 (5.5); British Malaya 1.8 (1.5); India 1.0 (0.9); Australia 2.2 (1.9); Belgium 1.9 (1.3); and Canada 1.2 (0.9).

The following are the percentage shares of the export trade of Hongkong credited to each of the chief purchasing countries during the first half of 1937, comparative percentages for the corresponding period of 1936 being shown within parentheses: China 42.2 (43.9); British Malaya 7.7 (7.0); Indo-China 5.0 (4.9); Japan 6.0 (4.5); Macao 3.4 (3.8); Siam 3.5 (4.3); United States 8.2 (8.0); Kwongchow 2.3 (3.0); Netherlands India 2.9 (2.2); Philippines 3.0 (3.7) and India 1.0 (1.2).

## IMPORTS AND EXPORTS BY MAIN GROUPS

Increases in both imports and exports occurred under nineteen of the twenty-three main group headings during the first half of 1937 as compared with the corresponding period of 1936, with foodstuffs, oils and fats, piece-goods, and metals recording the principal gains. The total values of each of the twenty-three main groups of imports and exports for the first six months of 1937 and 1936 are given in the following tables:—

*Imports and Exports by Main Groups*

Group	Imports		Exports	
	January-June		January-June	
	1937	1936	1937	1936
	Thousands of Hongkong Dollars			
Total . . . . .	286,449	212,292	218,869	163,451
Live animals . . . . .	4,392	3,808	67	69
Building materials . . . . .	4,177	3,252	2,237	1,694
Chemicals and drugs . . . . .	4,939	2,702	2,477	1,612
Chinese medicines . . . . .	11,458	7,963	8,311	6,373
Dyeing materials . . . . .	3,425	2,676	2,405	1,522
Foodstuffs . . . . .	80,230	61,252	62,376	47,372
Fuels . . . . .	7,088	5,687	304	153
Hardware . . . . .	3,589	1,517	2,759	1,188
Liquors . . . . .	2,062	1,706	582	494
Machinery and engines . . . . .	3,849	3,873	2,134	4,432
Manures . . . . .	6,945	4,900	7,465	5,189
Metals . . . . .	28,765	18,596	21,607	16,755
Minerals and ores . . . . .	3,430	1,081	4,861	4,192
Nuts and seeds . . . . .	3,476	2,818	2,207	1,686
Oils and fats . . . . .	25,365	18,932	24,106	14,545
Paints . . . . .	1,267	971	761	737
Paper and paperware . . . . .	7,881	7,183	4,977	3,651
Piece-goods . . . . .	37,678	29,994	21,286	18,657
Railway materials . . . . .	283	52	555	998
Tobacco . . . . .	2,604	3,055	1,997	2,375
Vehicles . . . . .	2,646	3,491	3,407	2,284
Wearing apparel . . . . .	1,964	1,686	8,852	5,241
Sundries . . . . .	11,162	6,883	10,479	6,497

## BUSINESS CONDITIONS

The foregoing statistics indicate that for the first six months of 1937 there was a general improvement in the trade of Hongkong, the figures for both imports and exports constituting a record since the year 1933. During the period there were several favourable factors which contributed towards a steady volume of trading, namely, the absence of fluctuation in Hongkong currency, the anticipated stabilization of the currency, and the abolishment of luxury taxes in Kwangtung Province, the improved relations between the Nanking Government and the Province of Kwangsai, and the increased demand in export markets for South China produce.

The stability of the Hongkong dollar, following upon the establishment of a managed currency some eighteen months ago, has contributed largely towards the restoration of confidence in the business circles of Hongkong. Commercial transactions are no longer fraught with the dangers of highly erratic movements in exchange, and the element of speculation has been eliminated from business commitments.

Although no definite action was taken in connection with the stabilization of the currency of the Province of Kwangtung until June of this year, such a step had been anticipated for many months, and as a result exchange movements in the province were slight, thus permitting a free flow of imports and exports.

The elimination of excessive provincial import taxes by the Kwangtung Government has been of benefit to both Hongkong importers and South China consumers.

The friendly relations which have existed during the past few months between the Province of Kwangsai and the Central Government at Nanking, together with the anticipation of the early stabilization of the Kwangsai dollar, have been conducive to a greater measure of confidence in the future of that province, and this, in turn, has resulted in a freer intercourse of trade with Hongkong than has heretofore been possible.

The increased demand for the products of South China at favourable price levels is reflected in the improved purchasing power of the rural population, which, although comparatively low in prosperous times, is the mainstay of public purchasing.



## IMPORTS FROM CANADA

The imports of Canadian origin during the first six months of 1937 showed an increase in value of approximately 80 per cent when compared with the first half of 1936, the respective figures being \$3,315,000 and \$1,850,000. Canada supplied 1.2 per cent of the total imports as against 0.9 per cent for the first six months of 1936.

The principal items imported from Canada, together with their values, were as follows:—

Wheat flour, \$1,075,931; printing paper, \$508,670; motor cars, \$324,123; fish and fishery products, \$287,423; American pine, \$229,756; pig lead, \$123,175; manures, \$95,741; printing and lithographic materials, \$93,129; rubber tires, \$75,903; evaporated milk, \$52,477; cattle, \$52,272; fruits, \$46,104; motor lorries (chassis), \$42,422; timber, n.o.p., \$37,013; miscellaneous foodstuffs, \$26,353; fodder, \$22,050; staves, \$21,538; canned meat and fish, \$11,950; canned vegetables, \$11,212; softwoods, \$10,887; fresh fish, \$8,467; wrapping paper, \$8,330; motor accessories, \$8,279; dried milk, \$8,000; oatmeal, \$7,711; zinc spelter, \$7,600; spirits, \$7,518; electrical accessories, \$7,100; agar agar, \$6,847; wearing apparel, \$6,098; paints, \$6,067; upper leather, \$5,900; vermicelli, \$5,657; inner tires, \$5,485; boots and shoes, \$4,699; felt and felt sheathings, \$4,162; musical instruments, \$3,852; coffee, \$3,720; sole leather, \$3,400; barley, \$3,210; biscuits, \$3,134; and bathroom fittings, \$2,443.

## ECONOMIC CONDITIONS IN SIAM, JANUARY TO JUNE

K. F. NOBLE, ACTING TRADE COMMISSIONER

(One tical equals \$0.45 Canadian; one picul equals 133½ pounds; one rai equals 0.395 acre)

Singapore, August 19, 1937.—There has been little change in economic conditions in Siam during the first six months of 1937, despite the partial failure of the rice crop, on which the well-being of 80 per cent of the population is dependent.

Unrevised figures show that total trade for the first six months of 1937 amounted to 142,887,116 ticals (Canadian \$64,299,203) as compared with 141,606,184 ticals (\$63,722,783) for the corresponding period of 1936. The composition of the trade has, however, altered slightly, imports increasing by more than 4 per cent to 58,794,097 ticals (\$24,455,544) from 56,130,983 ticals (\$25,258,942) in the first half of 1936, while exports decreased by about 2 per cent to 84,097,019 ticals (\$37,843,659) from 85,475,201 ticals (\$38,463,840).

Substantial increased shipments of rubber, tin, and teak amounting to 34,964,466 ticals (\$20,757,162) have more than offset the decline in the value of rice exports, the total of which was 38,264,825 ticals (\$50,704,613) for the six months.

## RICE PRODUCTION

For the crop year which commences in December, cultivation of rice was reduced by about 5 per cent to an area of 20,276,000 rai as against 21,111,000 rai in the previous season. Damage to planted areas was unusually high, comprising 31.25 per cent (10.04 per cent in 1935-36), while production on the undamaged sections was below average, being 2.76 piculs per rai (3.75 last year). The ten-year average of rice production was 3.93 piculs per rai. The harvest yielded approximately 54,064,000 piculs of paddy as against 78,783,000 piculs for the previous crop year and 76,485,000 piculs for the ten-year average.

Increased prices have, however, greatly offset the effects of reduced production. Exports this year to May 15 amounted to 444,753 metric tons valued at 36,900,000 ticals, whereas exports during the same period in 1936 amounted to 698,747 metric tons and were valued at only 41,300,000 ticals.

Singapore remains the main outlet for Siamese rice, absorbing approximately 25 per cent during the period. Shipments to Hongkong accounted for 20 per cent, but had to compete with unusually large supplies from Indo-China and Burma.

## TIN

Unrevised figures show exports of tin valued at 16,765,374 ticals. Quantity figures are not available, but the International Tin Committee report an under-shipment of 2,176 tons from the allotment of 9,250 tons during the half-year.

## RUBBER

Exports of rubber during the first five months of 1937 were valued at 12,073,810 ticals. Total exports for the half-year period will likely amount to 13,600,000 ticals, which compares favourably with exports valued at 7,738,193 ticals in the similar period of 1936. The International Rubber Restriction Committee estimates give a January-to-May export total of 15,413 long tons, or 413 tons in excess of the permissible quota of 15,000 tons. In the similar period of 1936 exports were only 11,967 tons, or 2,200 tons below the quota of 14,167 tons.

## TEAK

Under the continued stimulus of favourable conditions in the shipbuilding industry, teak exports have increased substantially in value. The half-year's exports were valued at 4,969,796 ticals as compared with 2,910,915 ticals in the corresponding period of 1936.

## EXCHANGE

Siamese currency, which has been stable for a period of several years at a parity of one tical equalling 1s. 10 $\frac{1}{32}$ d., weakened late in June to 1s. 9 $\frac{3}{4}$ d. owing to the demand for foreign currency. The solvency of the currency remains unquestioned, with a circulated note issue of 145,632,498 ticals, while the sterling reserve in London amounts to 122,000,000 ticals, with a further 43,700,000 ounces of silver coinage having an apparent value of 18,888,581 ticals. The coverage is in the neighbourhood of 112 per cent.

## NOTES

Impending revision of the Siamese-French commercial treaty is announced, together with an official statement to the effect that all commercial treaties will shortly be revised for the purpose of ensuring an extension of the principle of reciprocity.

The principal air base of the Royal Siamese Air Force at Bangkok is being extended at a cost of Canadian \$1,500,000.

A scheme for the encouragement of diversification of industry in Siam, particularly of the smaller semi-domestic industries, has been initiated by the Government for the purpose of assisting the small rice growers. A preliminary allotment of 1,500,000 ticals has been made. Similar interest in the diversion of the domestic sugar industry is indicated by an appropriation in the 1937-38 budget of 1,250,000 ticals for research and experiments.

Canadian Trade Commissioners should be kept supplied with catalogues, price lists, discount rates, etc., and the names and addresses of trade representatives by Canadian exporters. Catalogue should state whether prices are at factory point, f.o.b. at port of shipment, or, which is preferable, c.i.f. at foreign port.

The Canadian Government Trade Commissioners at the present time are using Bentley's Second Phrase Code.



## EXPORTS TO THE UNITED STATES OF PRODUCTS UNDER THE QUOTA PROVISIONS OF THE TRADE AGREEMENT

The following table, prepared by the Canadian Trade Commissioner's Office at New York from preliminary figures issued by the Treasury Department at Washington, shows the standing of the quotas provided for under the Canada-United States Trade Agreement up to August 28, 1937.

	Total of Quota	Reduction in Duty	Amount of quota used by Canada	Percentage of Quota used by Canada to Aug. 28, 1937.
Cattle (700 lbs. or more) . . . .	155,799 head	3 to 2 cents per pound	Quota filled	....
Calves (less than 175 lbs.) . . . .	51,933 head	2½ to 1½ cents per pound	Quota filled	....
Dairy cows . . . . .	20,000 head	3 to 1½ cents per pound	4,005 head	20.0%
Cream . . . . .	1,500,000 gal.	56½ to 35 cts. per gal.	89,162 gal.	5.9
Seed potatoes . . . . .	750,000 bus.	75 to 60 cts. per 100 lbs., Dec. 1 to end of February; 45 cts., Mar. 1 to Nov. 30	607,533 bus.	81.0
Unmanufactured lumber (Douglas fir and Western hemlock)	250,000 M ft. b.m.	\$1 to 50 cts. per M ft. b.m. duty; \$3 to \$1.50 tax Free	88,224 M ft. b.m.	35.3
Red cedar shingles . . . . .	892,373 squares		340,669 squares	38.2

White or Irish seed potato import figures are from December 31, 1936, to August 28, 1937, owing to the potato quota beginning on December 1 each year, all other quotas being dated from January 1.

Total fir and hemlock shipments from January 1 to August 28, 1937, amounted to 88,224 M ft. b.m., consisting of 50,608 M ft. b.m. of Douglas fir, 10,286 M ft. b.m. of Western hemlock, together with 27,329 M ft. b.m. mixed fir and hemlock.

The United States Department of Commerce report that the total production of red cedar shingles for the first six months of 1937 amounted to 2,560,055 squares; shipments totalled 2,527,329 squares, and imports from Canada 1,042,163 squares. The total consumption, shipments plus imports from Canada for the same period, amounted to 3,569,492 squares. Based on these figures the Treasury Department on September 3 announced that importations of red cedar shingles from Canada during the last six months of the calendar year 1937 would be limited to 892,373 squares. The percentage 38.2 for imports of red cedar shingles from July 1 to August 28 is based on these figures.

## TARIFF CHANGES AND CUSTOMS REGULATIONS

### United Kingdom

#### REIMPOSITION OF FLOUR TAX

With reference to the notice in *Commercial Intelligence Journal* No. 1734 (April 24, 1937), page 695, announcing that as from April 19 the "quota payment" to be made to the Wheat Commission in respect of wheat flour imported into or milled in the United Kingdom had been suspended, the Canadian Trade Commissioner in London cables that, effective September 19, "quota payments" are reimposed at the rate in force prior to April 19, namely, 2.4d. per hundred-weight, equivalent to 6d. per sack of 280 pounds.

The fund created by these payments is used to reimburse United Kingdom wheat growers to the extent of the difference between the ascertained average price of home-grown millable wheat in any cereal year and the standard price of 10s. per hundredweight (about \$1.30 per bushel at par) fixed by the Wheat Act.

"Quota payments" are levied on flour produced within the British Empire as well as on non-Empire flour.

### Irish Free State

#### QUOTA ON SPARKING PLUGS AND PARTS

Mr. James Cormack, Canadian Trade Commissioner in Dublin, advises under date September 4, 1937, that, by order of the Executive Council, the first quota and quota period in respect of certain sparking plugs and parts thereof have been fixed as 5,000 articles for the three-month period October 5, 1937, to December 31, 1937, respectively.

### Australia

#### TARIFF TREATMENT OF POWER UNITS

Mr. J. P. Brophy, Australian Customs Representative in New York, writes that Prefatory Note No. 12 to the Australian customs tariff has been amended. Heretofore it read as follows:—

Unless the tariff otherwise provides, motive power, engine combinations and power connections, when not integral parts of machines, machinery, or machine tools, shall be dutiable under their respective headings.

As amended, the note reads:—

Mechanical driving units and apparatus for transmitting power from such driving units to driven units when incorporated in or forming part of machines, machinery, or machine tools shall be dutiable as if imported separately except where tariff specifically directs otherwise or the Minister directs to the contrary.

### Jamaica

#### CUSTOMS FORMS

With reference to the notice in *Commercial Intelligence Journal* No. 1746 (July 17, 1937), page 130, concerning deletion from the invoice form required for shipments to Jamaica of the column headed "Market Value in Currency of Exporting Country," the Collector General of Jamaica in a letter dated September 7, 1937, advises that this is the only alteration required to be made in the form. The c.i.f. value is still to be declared, and the data called for at the foot of the invoice, respecting cartage, freight, package, and royalty charges, are to be supplied as formerly. This information is required to confirm whether or not such charges have been included in the c.i.f. value. If goods are sold on any basis other than the c.i.f., then a note should be made to that effect, and the invoice should disclose what charges have been accounted for. The present form is that which was described in the Jamaica Government *Gazette* of September 12, 1933, and is satisfactory, the only change, pending any announcement of further change, being that the column headed "Market Value" is to be ignored.

### Bahamas

#### REDUCED DUTIES ON ONIONS

A Bahamas Order in Council of March 17, 1937, which brought into force the maximum tariff on onions of 12s. per 100 pounds, was cancelled by an order gazetted July 16, 1937, and effective from July 26, 1937. The effect is the restoration of the normal tariff of 2s. per 100 pounds. The foregoing are general tariff rates. The British preferential rate, applicable to Canada, is 25 per cent less in each case.



## Belgium

### DUTY REDUCED ON DOUGLAS FIR PLYWOOD

Mr. Yves Lamontagne, Canadian Trade Commissioner in Brussels, advises under date September 7 that, due to a reclassification of Douglas fir plywood, not polished, lacquered, tinted, or varnished, by a decree effective August 30, 1937, the import duty has been reduced from 40·30 francs to 31·05 francs per 100 kilograms (from approximately 63 cents to 48 cents per 100 pounds) gross weight.

## Poland

### DOCUMENTATION FOR SHIPMENTS

A leaflet dealing with documentation for shipments to Poland has just been issued by the Department of Trade and Commerce. Interested Canadian exporters may obtain a copy on application to the Department at Ottawa.

## Venezuela

### NEW LEAFLET ON DOCUMENTATION

A leaflet dealing with the invoice requirements of Venezuela, prepared from information supplied by Mr. Romulo Araujo, Consul of Venezuela in Montreal, has just been issued by the Department of Trade and Commerce. Interested Canadian exporters may obtain a copy on application to the Department at Ottawa.

## Commercial Agreement between Guatemala and Germany

Mr. S. G. MacDonald, Assistant Trade Commissioner in Mexico City, reports that, by exchange of notes of July 22, 1937, and effective August 1, a commercial agreement was signed between Guatemala and Germany, exchanging unconditional and unlimited most-favoured-nation treatment in regard to customs duties and supplementary charges, methods of collection, and customs formalities. The treaty is for one year and thereafter until three months' notice of termination is given. Exception is made of benefits conceded by Germany to other specified European countries or by Guatemala to other Central American countries, as well as benefits granted by either party to a third country exclusively by plurilateral agreements of general importance signed after this treaty becomes effective, unless the other party concedes the same benefits.

## INFORMATION ON EXCHANGE RESTRICTIONS

During the period of unsettled exchange conditions in many countries, it has been the practice to publish in the *Commercial Intelligence Journal* from time to time fairly complete reviews of the principal features of the exchange situation in countries regarding which it is most important that Canadian exporters be adequately informed. Canadian Trade Commissioners resident in territories where exchange control is in force are under instruction to prepare reports for publication dealing with major alterations in the methods of control and with revisions of policy or of regulations that affect imports from Canada. Apart from these published reports, the Commercial Intelligence Service has on file unpublished data which will be freely furnished, on request, to Canadian firms desiring information with regard to exchange conditions in specified countries.

## FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING SEPT. 20, 1937

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, September 20, and for the week ending Monday, September 13, with the official bank rate.

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Sept. 13	Nominal Quotations in Montreal Week ending Sept. 20	Official Bank Rate
Austria . . . . .	Schilling	.1407	\$ .1886	\$ .1885	3½
Belgium . . . . .	Belga	.1001	.1684	.1683	2
Bulgaria . . . . .	Lev	.0072	.0129	.0129	6
Czechoslovakia . . . . .	Krone	.0296	.0349	.0349	3
Denmark . . . . .	Krone	.2680	.2210	.2213	4
Finland . . . . .	Markka	.0252	.0219	.0219	4
France . . . . .	Franc	.0392	.0357	.0338	3½
Germany . . . . .	Reichsmark	.2382	.4012	.4011	4
Great Britain . . . . .	Pound	4.8666	4.9512	4.9575	2
Greece . . . . .	Drachma	.0130	.0091	.0091	6
Holland . . . . .	Guilder	.4020	.5503	.5520	2
* Hungary . . . . .	Pengo	.1749	.2955	.2955	4
Italy . . . . .	Lira	.0526	.0526	.0526	4½
Jugo-Slavia . . . . .	Dinar	.0176	.0231	.0231	5
Norway . . . . .	Krone	.2680	.2487	.2491	4
Poland . . . . .	Zloty	.1122	.1890	.1890	5
Portugal . . . . .	Escudo	.0442	.0449	.0449	4½
Roumania . . . . .	Leu	.0060	.0073	.0073	4½
Spain . . . . .	Peseta	.1930	.0648	.0650	5
Sweden . . . . .	Krona	.2680	.2552	.2556	2½
Switzerland . . . . .	Franc	.1930	.2297	.2296	1½
United States . . . . .	Dollar	1.0000	1.0000	1.0000	1
Mexico . . . . .	Peso	.4985	.2775	.2775	4-5
Cuba . . . . .	Peso	1.0000	.9990	.9992	—
Guadeloupe . . . . .	Franc	.0392	.0357	.0338	—
Jamaica . . . . .	Pound	4.8666	4.9612	4.9675	—
Martinique . . . . .	Franc	.0392	.0357	.0338	—
Other British West Indies	Dollar	1.0138	1.0313	1.0328	—
Argentina . . . . .	Peso (Paper)	.4245	.3300	.3305	3½
		Unofficial	.2995	.3000	—
Brazil . . . . .	Milreis (Paper)	.1196	.0641	.0643	—
British Guiana . . . . .	Dollar	1.0138	1.0313	1.0328	—
Chile . . . . .	Peso	.1217	.0513	.0517	4½
Colombia . . . . .	Peso	.9733	.5699	.5699	4
Peru . . . . .	Sol	.2800	.2600	.2600	6
Venezuela . . . . .	Bolivar	.1930	.3138	.3137	—
Uruguay . . . . .	Peso	1.0342	.7919	.7915	—
South Africa . . . . .	Pound	4.8666	4.9450	4.9512	3½
Egypt . . . . .	Pound (100 Piastres)	4.9431	5.0800	5.0800	—
China (Shanghai) . . . . .	Dollar	.....	.2972	.2965	—
Hongkong . . . . .	Dollar	.....	.3090	.3099	—
India . . . . .	Rupee	.3650	.3736	.3742	3
Japan . . . . .	Yen	.4985	.2885	.2890	2.92
Java . . . . .	Guilder	.4020	.5503	.5520	—
Siam . . . . .	Baht (Tical)	.4424	.4538	.4544	—
Straits Settlements . . . . .	Dollar	.5678	.5803	.5814	—
Australia . . . . .	Pound	4.8666	3.9600	3.9660	3
New Zealand . . . . .	Pound	4.8666	3.9920	3.9980	2
		* Unofficial:	.1975	.1975	—

The Dominion Bureau of Statistics has supplied the following note:—

A further break in the French franc occurred on September 15, when it dropped from 3.57 cents to 3.38 cents, the lowest level touched since 1926. Discounts on forward francs increased materially in the first half of September. Pressure on the franc has been due in part to a large commodity import surplus amounting to approximately \$400,000,000 in the first eight months of 1937 and to more than \$43,000,000 in the month of August. In the past few weeks tourist demand for francs has fallen appreciably, thereby removing an important source of support which had been temporarily helping to offset the adverse trade position. Sterling was firmer in the week under review, rising approximately 1 cent to \$4.9575. Montreal rates on New York funds remained at par.



**TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS**

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

**Secretary, Board of Trade—**

Saint John, N.B.	Chatham, Ont.	Portage la Prairie, Man.
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Kingston, Ont.	Peterborough, Ont.	Victoria, B.C.
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Windsor Chamber of Commerce, Windsor, Ont.

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Department of Industry, Brantford, Ont.

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La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

**Secretary, Canadian Manufacturers Association—**

Toronto, Ont.	Winnipeg, Man.	Vancouver, B.C.
Montreal, P.Q.	Edmonton, Alta.	Victoria, B.C.

The Maritime Provinces Trade Commissioner, 122 Federal Building, Toronto, Ont.

The Bureau of Provincial Information, Victoria, B.C.

**Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.**

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Foodstuffs—</b>			
Frozen Salmon.....	661	Lima, Peru.....	Purchase and/or Agency.
Frozen Salmon.....	662	Berlin, Germany.....	Purchase and/or Agency.
Dry Salted Codfish.....	663	Santiago de Cuba, Cuba...	Agency.
Canned Sardines.....	664	Santiago de Cuba, Cuba...	Agency.
White Peas (Dried).....	665	Cardiff, Wales.....	Purchase.
<b>Miscellaneous—</b>			
Cotton velveteens.....	666	Melbourne, Australia.....	Agency.
Rayon Piece-goods.....	667	Melbourne, Australia.....	Agency.
Wall Pocket Calendars.....	668	Auckland, New Zealand...	Purchase.
Plaster of Paris.....	669	Sydney, Australia.....	Purchase and Agency.
Asbestos (Crude and in Fibre)...	670	Lima, Peru.....	Agency.
Copper Braid (suitable for Automobile Battery Leads).	671	Melbourne, Australia.....	Purchase.
Files (Tool).....	672	Melbourne, Australia.....	Agency.
Standard Type Telephone Dry Cells (1½ Volts).	673	Lima, Peru.....	Purchase.

### CERTIFICATES OF ORIGIN FOR BRITISH PREFERENCES

Canadian exporters are reminded of the importance of supplying correct certificates of origin for goods entitled to preferential tariff treatment in Empire countries. The regulations to be observed vary enough to preclude use of uniform documentation for the different British markets. As regards the principal market, the United Kingdom, goods regarded as growth or produce require 100 per cent Empire content; optical goods and parts require 75 per cent; a selected list of manufactured goods (see F.T.D. Leaflet No. 95) require 50 per cent; for other manufactured goods 25 per cent Empire content suffices. A small number of ingredients must qualify independently for preference. Each "article" is subject to the preference test separately, so that when machinery, etc., is shipped to the United Kingdom knocked-down each separate assembly or part must qualify in itself to be entitled to preference. Notice 27A of the London Custom House, issued in December, 1936, prescribes appropriate forms as follows: D, 119 (Sale), for growth or produce; E, 120 (Sale), for manufactured goods; F, 121 (Sale), for manufactured tobaccos and sugars; FF, 122 (Sale), a supporting certificate for ingredients.

### PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

#### From Montreal

*To Liverpool.*—Duchess of York, Oct. 1; Duchess of Richmond, Oct. 8; Duchess of Bedford, Oct. 15; Duchess of Atholl, Oct. 22—all Canadian Pacific; Andania, Cunard-White Star Line, Oct. 8.

*To London.*—Beaverbrae, Oct. 1; Beaverburn, Oct. 8; Beaverhill, Oct. 15; Beaverford, Oct. 22; Beaverdale, Oct. 29—all Canadian Pacific; Aurania, Oct. 1; Alaunia, Oct. 8; Ausonia, Oct. 15; Ascania, Oct. 22—all Cunard-White Star Line; Svane fjell, Oct. 9; Tind fjell, Oct. 25; Makefjell, Nov. 5—all Fjell Line.

*To Manchester.*—Manchester Regiment, Sept. 30; Manchester Commerce, Oct. 7; Manchester Port, Oct. 14; Manchester Brigade, Oct. 21; Manchester City, Oct. 28; Manchester Citizen, Nov. 4—all Manchester Line.

*To Southampton.*—Montrose, Canadian Pacific, Oct. 2.

*To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—Dakotian, Sept. 28; Norwegian, Oct. 16—both Cunard-Donaldson and Dominion Lines; Bristol City, Oct. 6; Boston City, Oct. 25—both Bristol City and Dominion Lines.

*To Glasgow.*—Letitia, Oct. 1; Sulairia, Oct. 8; Athenia, Oct. 15; Delilian, Oct. 22—all Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Cairnross (calls at Dundee), Sept. 29; Cairnvalona, Oct. 6; Cairnesk (calls at Dundee), Oct. 13; Cairnglen, Oct. 20—all Cairn-Thomson Line.

*To Aberdeen and Hull.*—Gitano, Oct. 15; Kyno, Nov. 3—both Ellerman's Wilson Line.

*To Dublin and Belfast.*—Dunaff Head (does not call at Belfast), Oct. 5, Melmore Head, Oct. 7; Lurigethan, Oct. 20—all Head Line (cargo accepted for Cork).

*To Antwerp and Havre.*—Beaverbrae, Oct. 1; Beaverburn, Oct. 8; Beaverhill, Oct. 15; Beaverdale, Oct. 29—all Canadian Pacific (do not call at Havre); Svane fjell, Oct. 9; Tind fjell, Oct. 25; Makefjell, Nov. 5—all Fjell Line (do not call at Havre); Flint II, Sept. 28; Grey County, Oct. 7; Brant County, Oct. 17—all County Line.

*To Rotterdam.*—August, Oct. 9; Brant County, Oct. 18—both County Line; Svane fjell, Oct. 9; Tind fjell, Oct. 25; Makefjell, Nov. 5—all Fjell Line.

*To Hamburg and Bremen.*—Beaverford (does not call at Bremen), Canadian Pacific, Oct. 22; Chemnitz, North German Lloyd Line, Oct. 15.

*To Copenhagen, Gothenburg and Baltic Ports.*—Ragnhildsholm, Oct. 23; Vasaholm, Nov. 6—both Swedish-America-Mexico Line.



*To Marseilles, Genoa, Naples, Messina, Palermo, Lisbon and Leghorn.*—Capo Lenc, Oct. 9; Capo Olmo, Oct. 30—both Capo Line.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Eikhaug (calls at Bay Roberts, Carbonear and Port Union but not at St. Pierre), Shaw SS. Co., Oct. 14; Belle Isle, Newfoundland-Canada SS., Oct. 8 and 22.

*To Corner Brook, Nfld.*—New Northland, Sept. 27 and Oct. 11; North Voyageur, Oct. 4 and 18—both Clarke SS. Co.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Colborne, Sept. 30; Chomedy, Oct. 14; Cornwallis, Oct. 28—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Hamilton (Bermuda), Nassau (Bahamas), Kingston (Jamaica) and Belize (British Honduras).*—Lady Rodney, Sept. 29; Cavelier (does not call at Hamilton or Nassau), Oct. 8; Lady Somers, Oct. 13; Cathcart (does not call at Hamilton or Nassau), Oct. 22—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad, Demerara and Paramaribo.*—A steamer, Ocean Dominion SS. Corp., Oct. 8 and 23 (calls at Guadeloupe and Martinique if sufficient cargo offered).

*To Brisbane, Sydney and Melbourne.*—City of Delhi (calls at Adelaide if sufficient inducement offers), Montreal-Australia-New Zealand Line, Sept. 30.

*To Sierra Leone, Walvis Bay, Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques and Beira.*—Cochrane, Elder-Dempster Lines Ltd., Sept. 27.

*To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Singapore, Madras, Rangoon and Calcutta.*—City of Birmingham, Sept. 30; City of Cardiff, Oct. 28—both Canada-India Service.

*To Belawan Deli, Penang, Port Swettenham, Singapore, Batavia, Cheribon, Samarang, Soerabaya and Macassar.*—A steamer, Java-New York-Blue Funnel Line, October.

*To Yokohama, Kobe and Osaka.*—City of Canton, Canada-Far East Line, Oct. 10.

*To Manila, Hongkong, Shanghai and Dairen.*—City of Eastbourne, Ellerman & Bucknell SS. Co., Oct. 30; Adrastus (does not call at Dairen), Blue Funnel Line, Oct. 12.

*To Santos and Buenos Aires.*—Germa, Oct. 2; Rena, Oct. 18—both International Freight-ing Corp.

### From Quebec

*To Southampton.*—Empress of Britain, Canadian Pacific, Oct. 9 and 23.

### From Saint John

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Nelson, Sept. 29; Lady Hawkins, Oct. 13; Lady Drake, Oct. 27—all Canadian National.

*To Kingston and Jamaica Outports.*—Crawford Ellis (cargo accepted for transshipment to Central and South American ports), United Fruit Co., Oct. 8 and 22.

### From Halifax

*To Liverpool.*—Manchester Division, Sept. 27; Manchester Producer, Oct. 14—both Manchester Line; Newfoundland, Oct. 9; Nova Scotia, Oct. 26—both Furness Line.

*To London.*—Edam, Sept. 27; Spaarndam, Oct. 5; Bilderdijk, Oct. 14—all Holland-America Line; City of Flint, Sept. 29; Lehigh, Oct. 13; Artigas, Oct. 27—all American Hampton Roads.

*To Manchester.*—Manchester Citizen, Sept. 26; Manchester Regiment, Oct. 3; Manchester Commerce, Oct. 10; Manchester Port, Oct. 17—all Manchester Line.

*To Newcastle and Leith.*—Cairnross, Oct. 2; Cairnvalona, Oct. 9; Cairnesk, Oct. 16; Cairnglen, Oct. 23; Cairnmona, Nov. 6—all Cairn-Thomson Line; City of Flint, Sept. 29; Lehigh, Oct. 13; Artigas, Oct. 27—all American Hampton Roads (call at Dundee and Hull but not at Newcastle).

*To Aberdeen, Newcastle and Hull.*—Trentino, Oct. 5; Cavallo, Nov. 2—both Ellerman's Wilson Line.

*To Cardiff, Bristol and Swansea.*—Bristol City, Oct. 9; Boston City, Oct. 28—both Bristol City Line.

*To Rotterdam.*—Edam, Sept. 27; Spaarndam, Oct. 5; Bilderdijk, Oct. 14—all Holland-America Line.

*To Hamburg and Bremen.*—City of Flint, Sept. 29; Lehigh, Oct. 13; Artigas, Oct. 27—all American Hampton Roads.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Fort Townshend, Sept. 27 and Oct. 11; Fort Amherst, Oct. 4—both Furness-Red Cross Line; Kongshaug, Newfoundland-Canada SS. Ltd., Oct. 4 and 18; Newfoundland, Oct. 9; Nova Scotia, Oct. 26—both Furness Line (do not call at St. Pierre); Portia (does not call at St. Pierre), Newfoundland Ry. and SS. Co., Oct. 6 and 20.

*To Kingston (Jamaica) and Belize (British Honduras).*—Cathcart, Sept. 27; Cavelier, Oct. 11—both Canadian National.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Nelson, Oct. 7; Lady Hawkins, Oct. 21; Lady Drake, Nov. 4—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer, Ocean Dominion SS. Corp., Sept. 29 and Oct. 13.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Colborne, Oct. 4; Chomedy, Oct. 18; Cornwallis, Nov. 1—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Bermuda, West Indies, and Demerara.*—A steamer, Pickford & Black Ltd., Sept. 29 and Oct. 13.

*To Santiago (Cuba) and Kingston (Jamaica).*—Kirsten B, Pickford & Black, Oct. 6.

*To Yokohama, Kobe, Shanghai, Hongkong, Manila, Cebu and Java.*—Silverwalnut, Silver Line, Sept. 30; Malayan Prince, Furness-Prince Line, Oct. 25.

### From Vancouver

*To Yokohama, Kobe and Osaka.*—Hikawa Maru, Oct. 2; Hiye Maru, Oct. 14; Heian Maru, Oct. 30—all Nippon Yusen Kaisha.

*To Yokohama, Kobe, Shanghai, Hongkong and Manila.*—Empress of Canada (calls Honolulu), Oct. 2; Empress of Russia (calls Nagasaki), Oct. 16; Empress of Japan (calls Honolulu), Oct. 30; Empress of Asia (calls Nagasaki), Nov. 13—all Canadian Pacific; Ixion, Oct. 16; Talthybius, Nov. 13—both Blue Funnel Line (call at Miike but not at Manila).

*To Manila, Iloilo, Cebu, Soerabaya, Samarang, Batavia, Singapore, Port Swettenham, Belawan Deli, Colombo, Bombay and Persian Gulf Ports.*—Tosari, Oct. 1; Hoegh Silverlight, Nov. 1—both Silver-Java Pacific Line.

*To Honolulu, Suva, Auckland and Sydney.*—Niagara, Sept. 29; Aorangi, Oct. 27—both Canadian-Australasian Line.

*To Melbourne and Sydney.*—Waiotapu (calls at Auckland), Oct. 8; Hauraki (calls at Papeete, Wellington, New Plymouth, Lyttelton and Dunedin), Oct. 15; Wairuna (calls at Papeete, Auckland, Napier, Wellington, Lyttelton and Dunedin), Nov. 25—all Canadian-Australasian Line.

*To London, Liverpool and Rotterdam.*—Drecht dyk, Oct. 2; Lochkatrine (calls at Glasgow), Oct. 16; Dinteldyk, Oct. 30; Damsterdyk (calls at Glasgow), Nov. 13—all North Pacific Coast Line.

*To Antwerp, Hamburg and Bremen.*—Seattle, Oct. 17; Tacoma, Nov. 7—both Hamburg-American Line; Weser, Oct. 6; Este, Oct. 27—both North German Lloyd Line.

*To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.*—Oregon, Oct. 10; San Jose, Oct. 22—both Empire Shipping Co.

*To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.*—Fella, Oct. 27; Cellina, Nov. 24—both Empire Shipping Co.

*To Port of Spain (Trinidad) and Bridgetown (Barbados).*—A steamer, Canadian Transport Co., October.

*To Kingston (Jamaica), Trinidad and Demerara.*—A steamer, Canadian Transport Co., November.

*To Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques, Beira, Colombo, Calcutta and Madras.*—Silverwillow, Oct. 5; Siantar, Nov. 5—both Silver-Java Pacific Line.

*To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.*—Brandanger, Sept. 30; Hardanger, late October—both Empire Shipping Co.

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**Note.**—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.



# COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

## CANADIAN GOVERNMENT TRADE COMMISSIONERS

### Argentina

J. A. STRONG, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

### Australia

*Sydney*: L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh Streets. (Territory covers Federal District of Canberra, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

*Melbourne*: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building, Melbourne. (Territory covers States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

### Belgium

YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

### Brazil

L. S. GLASS. Address for letters—Caixa Postal 2164, Rio de Janeiro. Office—Ed. Da. "A. Noite," Sala 802, Praca Maua. *Cable address, Canadian.*

### British Malaya

B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory covers the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

### British West Indies

*Trinidad*: M. B. PALMER. Address for letters—P.O. Box 125, Port of Spain. Office—Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, and British Guiana.) *Cable address, Canadian.*

*Jamaica*: F. W. FRASER, P.O. Box 225, Office—Canadian Bank of Commerce Chambers, Kingston. (Territory covers Jamaica, Haiti, the Bahamas, and British Honduras.) *Cable address, Canadian.*

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### Cuba

C. S. BISSETT. Address for letters—Apartado 1945, Havana. Office—Royal Bank of Canada Building, Calle Aguiar 75, Havana. (Territory includes Dominican Republic and Puerto Rico.) *Cable address, Canadian.*

### Egypt

HENRI TURCOT. Address for letters—P.O. Box 1770, Cairo. Office—22 Shari Kasr el Nil, Cairo. (Territory includes the Sudan, Palestine, Cyprus, Iraq, Syria, Iran, Greece, Turkey, Bulgaria, and Roumania.) *Cable address, Canadian.*

### France

HERCULE BARRÉ, Commercial Attaché, 3 rue Scribe, Paris (9). (Territory includes French Colonies in North Africa.) *Cable address, Cancomac.*

### Germany

J. C. MACGILLIVRAY, Mönckebergstrasse 31, Hamburg. (Territory includes Germany, Czechoslovakia, Austria, and Poland.) *Cable address, Canadian.*

### Hongkong

V. E. DUCLOS. Address for letters—P.O. Box 80, Hongkong. Office—Gloucester Building, Hongkong. (Territory includes South China, the Philippines, and Indo-China.) *Cable address, Canadian.*

### British India

PAUL SYKES. Address for letters—P.O. Box 2003, Calcutta. Office—23 Esplanade Mansions, Government Place East, Calcutta. (Territory includes Burma and Ceylon.) *Cable address, Canadian.*

### Irish Free State and Northern Ireland

JAMES CORMACK, 66 Upper O'Connell Street, Dublin, Irish Free State (*cable address, Canadian*); and 36 Victoria Square, Belfast, Northern Ireland.

## CANADIAN GOVERNMENT. TRADE COMMISSIONERS—*Con.*

### Italy

A. B. MUDDIMAN, Via Manzoni Nr. 5, Milan (102). (Territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia.) *Cable address, Canadian.*

### Japan

*Tokyo*: ACTING COMMERCIAL SECRETARY. Address for letters—P.O. Box 401, Tokyo Central. Office—Canadian Legation, 16 Omotecho, 3-chome, Akasakaku, Tokyo. *Cable address, Canadian.*

*Kobe*: P. V. McLANE. Address for letters—P.O. Box 230, Kobe. Office—309 Crescent Building, 72 Kyomachi, Kobe. *Cable address, Canadian.*

### Mexico

R. T. YOUNG. Address for letters—Apartado Num. 126-Bis, Mexico City. Office—Edificio Banco de Londres y Mexico, Num. 30, Mexico City. (Territory includes Guatemala, Honduras, and Salvador.) *Cable address, Canadian.*

### Netherlands

J. A. LANGLEY, Coolsingel 111b, Rotterdam. (Territory includes Switzerland.) *Cable address, Canadian.*

### New Zealand

W. F. BULL. Address for letters—P.O. Box 33, Auckland. Office, Yorkshire House, Shortland Street, Auckland. (Territory includes Fiji and Western Samoa.) *Cable address, Canadian.*

### Norway

RICHARD GREW, Stortingsgaten 28, Oslo. (Territory includes Sweden, Denmark, and Finland.) *Cable address, Canadian.*

### Panama

W. J. RIDDIFORD. Address for letters—P.O. Box 222, Panama City. Office—Royal Bank of Canada Building, Santa Ana Plaza, Panama City. (Territory includes the Canal Zone, Venezuela, Colombia, Nicaragua, and Costa Rica.) *Cable address, Canadian.*

### Peru

M. J. VECHSLER. Address for letters—Casilla 1212, Lima. Office—Portal de Belén No. 166, Plaza San Martin, Lima. (Territory includes Bolivia, Ecuador, and Chile.) *Cable address, Canadian.*

### South Africa

*Cape Town*: G. R. HEASMAN. Address for letters—P.O. Box 683, Cape Town. Office—Cleghorn & Harris Building, Adderley Street, Cape Town. (Territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar.) *Cable address, Cantracom.*

*Johannesburg*: J. L. MUTTER. Address for letters—P.O. Box 715, Johannesburg. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

### United Kingdom

*London*: FREDERIC HUDD, Chief Trade Commissioner in the United Kingdom, Canada House, Trafalgar Square, S.W. 1. *Cable address, Sleighing, London.*

*London*: J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W. 1. (Territory covers Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

*London*: W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C. 2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—covers United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

*London*: W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W. 1. *Cable address, Agrilson.*

*Liverpool*: H. R. POUSSETTE, Martins Bank Building, Water Street. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

*Bristol*: E. L. MCCOLL, Northcliffe House, Colston Avenue. (Territory covers West of England, South Wales, and South Midlands.) *Cable address, Canadian.*

*Glasgow*: G. B. JOHNSON, 200 St. Vincent Street. (Territory covers Scotland.) *Cable address, Cantracom.*

### United States

*New York City*: D. S. COLE, British Empire Building, Rockefeller Center. (Territory includes Bermuda.) *Cable address, Cantracom.*

**Note.**—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.



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# COMMERCIAL INTELLIGENCE JOURNAL

Vol. LVII

Ottawa, October 2, 1937

No. 1757



Canadian Automobile Tires being unloaded at Oslo, Norway

ISSUED BY AUTHORITY OF  
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE  
JAMES G. PARMELEE, DEPUTY MINISTER

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# COMMERCIAL INTELLIGENCE JOURNAL

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Vol. LVII

Ottawa, October 2, 1937

No. 1757

## MR. BROWN TO VISIT BRITISH WEST AFRICA

Mr. H. L. Brown, Assistant Trade Commissioner at London, will visit British West Africa early in 1938. Canadian exporters interested in this market, who desire to have investigations made on their behalf, should communicate as soon as possible with the Canadian Trade Commissioner, Canada House, Trafalgar Square, London, S.W. 1.

The following table shows imports into Nigeria, Sierra Leone, and the Gold Coast of the principal products of interest to Canada, with latest available values for each colony:—

	Nigeria 1935	Sierra Leone 1936	Gold Coast 1935
Cigarettes . . . . .	\$206,686	\$16,202	\$207,190
Tobacco, unmanufactured . . . . .	144,370	47,128	66,772
Apparel . . . . .	155,196	38,149	125,193
Motor lorries and parts . . . . .	112,687	20,191	293,240
Motor cars and parts . . . . .	106,847		
Cement . . . . .	83,395	10,749	94,435
Ale and beer, etc. . . . .	48,146	21,469	29,013
Iron and other metals . . . . .	70,456	.....	.....
Gin . . . . .	29,610	.....	.....
Medicines and drugs . . . . .	94,007	17,791	99,115
Milk . . . . .	23,791	.....	27,776
Fish, canned . . . . .	17,941	4,803	71,673
Flour, wheaten . . . . .	43,786	19,016	95,860
Spirits, potable . . . . .	7,453	.....	4,466
Cheese . . . . .	3,279	1,191	4,994
Jams and jellies . . . . .	1,391	.....	5,249
Milk, unsweetened . . . . .	20,882	8,410	.....
Vegetables, dried, canned, etc. . . . .	6,728	.....	7,947
Meats, canned or bottled . . . . .	19,922	1,897	71,561
Lumber:			
Sawn and hewn, undressed . . . . .	2,200	.....	3,289
Sawn and hewn, partly dressed . . . . .	2,986	.....	5,322
Soap . . . . .	28,534	9,000	.....
Tires:			
Motor . . . . .	47,981	3,784	94,724
Motor-cycle . . . . .	13,587	.....	79,733

## POTATO MARKET IN CUBA AND THE DOMINICAN REPUBLIC

C. S. BISSETT, CANADIAN TRADE COMMISSIONER

### Cuba

Havana, September 15, 1937.—Previous reports on the Cuban potato market published in the *Commercial Intelligence Journal* contained comprehensive basic information on the potato industry in this country with respect to volume and costs of production and limiting production factors; potato districts, types of soils, acreage return and varieties grown; irrigation and fertilization, government assistance to growers and supervision of seed imports; customs tariffs, trade agreements and various restrictive measures; history of imports and retail and wholesale distribution channels. The reports referred to above appeared in *Commercial Intelligence Journal* No. 1641 (July 13, 1935), No. 1160 (November 23, 1935), and No. 1711 (November 14, 1936).

There has been very little change, since the above reports were published, in the basic nature of the potato trade in this territory and, to avoid duplication, the present report will therefore deal only with basic changes in the past year and current market conditions. However, to obtain a complete picture of this trade the above reports must be read in conjunction with the present one.

### PRODUCTION

Considerable information on the Cuban production of potatoes is given in the above-mentioned reports, including the total yield during the 1934-35 crop year according to provinces, and the type of potato, red and white, which was planted and harvested. These figures are shown on page 903 of *Commercial Intelligence Journal* No. 1660 (November 23, 1935). Similar figures for the crop years 1935-36 and 1936-37 are given below. It should be noted that there are two planting seasons in Cuba: that for Red Bliss starts about the middle of October and continues until around the middle of December, and that for white-type potatoes, such as Irish Cobbler and Green Mountain, starts about the middle of January and lasts until early March. The potatoes of each planting begin to appear on the market some three months after planting, the red beginning in early January and the white in late April and early May.

### STATISTICS OF YIELDS

The following figures, therefore, are for the complete crop year in each case, and cover Cuban production of potatoes up to and including the crop just harvested in the spring months of the present year:—

#### *Crop Year 1935-36*

Province	Red Type		White Type		Total	
	Planted	Harvested	Planted	Harvested	Planted	Harvested
	Quantities in Barrels or Bags of 150 Pounds Net					
Pinar del Rio . . . .	1,213	9,984	155	490	1,368	10,474
Havana . . . . .	106,971	815,866	9,456	44,933	116,427	860,799
Matanzas . . . . .	7,285	59,387	.....	.....	7,285	59,387
Santa Clara . . . . .	1,164	9,197	514	3,208	1,678	12,405
Camaguey . . . . .	1,821	14,107	554	1,763	2,375	15,870
Oriente . . . . .	7,890	31,464	612	1,836	8,502	33,300
Total . . . . .	126,344	940,005	11,291	52,230	137,635	992,235

#### *Crop Year 1936-37*

Province	Red Type		White Type		Total	
	Planted	Harvested	Planted	Harvested	Planted	Harvested
	Quantities in Barrels or Bags of 150 Pounds Net					
Pinar del Rio . . . .	1,525	7,243	1,076	8,012	2,601	15,255
Havana . . . . .	68,910	332,265	59,748	449,183	128,658	781,448
Matanzas . . . . .	7,788	37,873	2,527	18,723	10,315	56,596
Santa Clara . . . . .	3,778	18,239	683	5,071	4,461	23,310
Camaguey . . . . .	5,728	26,782	3,269	24,155	8,997	50,937
Oriente . . . . .	2,137	9,801	1,899	14,404	4,036	24,205
Total . . . . .	89,866	432,203	69,202	519,548	159,068	951,751

Although Red Bliss seed potatoes are shipped to Cuba in barrels of 160 to 165 pounds and the white type in bags of 150 pounds net, the weight has decreased, by loss of moisture and culling, to an average of 150 pounds by the time they are ready and prepared for seeding. This loss is considerably greater in the case of Red Bliss than it is in that of white-type potatoes, because they are shipped almost immediately after being harvested, sustaining thereby a greater relative loss of moisture and also greater damage because of their delicate skin than do white-type potatoes. This standard weight is therefore used in all production tables. Moreover, it is the standard weight seeded per



cordel, which is an area roughly one-tenth of one acre (9.7 cordels per acre). The table below gives areas in Cuban caballerias, which are equivalent to 324 cordels and roughly to 33.4 acres. The number of bags of 150 pounds net planted per caballeria is therefore 324. The two tables, combined, should give an accurate picture of the various phases of production in this country.

The return for the 1936-37 crop year showed a 4-per-cent decrease from that for the previous year. The loss in yield occurred chiefly in the two main potato-growing provinces, Havana and Matanzas, where the outturn, in spite of considerably increased volumes seeded as compared with last year, fell considerably below the volume produced in 1935-36. This was due almost wholly to an unusual lack of rainfall during the growing season for the white-type potato in the spring months of this year.

Some interesting figures covering the areas planted to potatoes in each province, the yield per barrel of seed sown and per caballeria, have been obtained from the Cuban Department of Agriculture covering the 1936-37 crop. These are as follows:—

Type	Area in Caba- llerias	Yield in Barrels per		Total Area in Caballerias	Total Yield in Barrels per Bbl. sown Caballeria	
Pinar del Rio:						
Red . . . . .	4.71	7.74	1,538}	8.03	5.86	1,900
White . . . . .	3.32	7.44	2,412}			
Havana:						
Red . . . . .	212.69	4.82	1,562}	397.09	6.07	1,967
White . . . . .	184.40	7.51	2,435}			
Matanzas:						
Red . . . . .	24.02	4.86	1,575}	31.83	5.48	1,777
White . . . . .	7.81	7.40	2,400}			
Santa Clara:						
Red . . . . .	11.66	4.82	1,564}	13.77	5.22	1,693
White . . . . .	2.11	7.42	2,405}			
Camaguey:						
Red . . . . .	17.68	4.67	1,514}	27.77	5.66	1,834
White . . . . .	10.09	7.38	2,394}			
Oriente:						
Red . . . . .	6.60	4.58	1,485}	12.46	5.99	1,943
White . . . . .	5.86	7.58	2,457}			
Total for Cuba:						
Red . . . . .	277.36	4.81	1,558}	490.95	5.98	1,938
White . . . . .	213.59	7.51	2,432}			

#### FACTORS AFFECTING PRODUCTION

The average yield in each province of red-type potatoes per bag sown is uniformly low. In no case does it reach a fivefold increase. The increment in the case of white potatoes is considerably better, and it would be still greater in years of normal rainfall. However, it is doubtful if the combined average yield of both types for the whole country would be considered a satisfactory outturn in Canada or the United States. Certain areas give much better yields than others and, by employing better farming methods, the areas of comparatively poor potato soil could be made to produce appreciably more than they do at present. Undoubtedly also, potato cultivation is still carried on in certain marginal lands which previous to the depression were used for export crops much better suited to that particular soil.

When markets abroad for such crops contracted sharply a few years ago, growers were encouraged to produce potatoes in order to supply from domestic sources the normal demand previously filled by imports. To permit this to be done, protection was accorded the potato farmer through considerably increased customs duties, which still persist and are likely to continue for some time. Nevertheless, the comparatively poor return from potato crops on these marginal lands is likely, in time, to force them to return to the cultivation of those

products produced previous to the depression and for which there are now much better markets abroad. It is likely that such a tendency will be apparent during the next crop year, although any reduction in area planted as compared to this year is likely to be small. The potatoes produced on poor potato lands and by indifferent methods of cultivation reduce considerably the average yield for both potato types for the whole country. However, a better idea of possible yields in Cuba may be obtained from the figures given below, covering the costs of producing potatoes incurred this crop year on a series of potato farms in Havana Province where up-to-date cultivation methods, proper amounts of fertilizer, and scientific handling generally were employed.

#### COSTS OF PRODUCTION

These costs are calculated on the basis of one bag of seed planted and harvested. The red-type potato was estimated to have yielded seven bags of 100 pounds each per bag sown. Cuban potatoes are marketed in 100-pound bags. Excluding any allowance for land rental, the following were the items of cost at the farm: seed, \$6; new bags, \$0.70; fertilizer, \$3.50; labour, \$3.50; irrigation and insecticides, \$1—total, \$14.70.

The white-type potato was estimated to have yielded nine bags of the above weight per bag sown. Similarly, the various items of cost were: seed, \$4.40; new bags, \$0.90; fertilizer, \$3.50; labour, \$3.50; irrigation and insecticides, \$1—total, \$13.30.

One 200-pound bag of fertilizer is the standard requirement per bag of seed planted, although a great many farmers use only a half-bag of fertilizer, thereby reducing their costs but reducing the yield as well. Some saving is made at times by using second-hand bags for direct sales to the produce markets, but sales to dealers for storage must be in new bags.

During the high customs duty period (explained under "Duties" below) the selling price of Cuban potatoes at the farm was as high as \$3 per bag of 100 pounds and \$3.20 delivered at market or dealer's warehouse. However, at the beginning of August current prices were \$2 for red and \$1.80 for white per bag at the farm. On this basis there was a direct loss to the farmer on red-type potatoes of \$0.70 per bag sown and a profit on white of only \$2.90 on the same basis. The low-duty period commenced on July 1, which forced down local prices accordingly. The Cuban crop is now almost exhausted.

The higher cost of red seed is explained variously by its normally higher price at ports of export to Cuba, premiums paid for early season deliveries, higher cost of the container—barrel versus bag—and excess railway and ocean freight, cartage, and handling charges payable upon shipments in barrels. It is estimated locally that the barrel used for shipping red potatoes, when packed ready for export at the farm, costs a minimum of \$0.60 more than does the bag used in exporting the white variety. The remaining difference is accounted for by the other above-mentioned factors.

The above yields shown by this one farmer are somewhat below the average yields for either Havana Province or the whole of Cuba, as shown in the foregoing table. This was due mainly to disease, which reduced the crop considerably.

#### IMPORTS

The imports into Cuba of edible and seed potatoes for each of the calendar years 1929 and from 1931 to 1934 are given in *Commercial Intelligence Journal* No. 1660 (November 23, 1935), page 910. To bring these up to date, similar figures for 1935, 1936, and the first six months of 1937 are as follows:—



	From United States			From Canada			From both Countries		
	Edible	Seed	Total	Edible	Seed	Total	Edible	Seed	Total
1935									
Kilos .. . . .	32,022,098	697,861	32,719,959	10,500	8,364,423	8,374,923	32,032,598	9,062,284	41,094,882
\$ .. . . .	777,673	33,040	810,713	223	322,953	323,176	777,896	355,993	1,133,889
1936									
Kilos .. . . .	18,519,844	370,858	18,890,702	.....	10,019,938	10,019,938	18,519,860	10,390,796	28,910,656
\$ .. . . .	704,122	18,386	722,508	.....	474,086	474,086	704,130	492,472	1,196,602
Jan.-June, 1937									
Kilos .. . . .	2,098	102,738	104,836	.....	4,602,162	4,602,162	2,098	4,704,900	4,706,998
\$ .. . . .	78	4,380	4,458	.....	215,210	215,210	78	219,590	219,668

NOTE.—In 1936 a total of 16 kilos of potatoes valued at \$8 was imported from countries other than the United States and Canada.

The effect of the high customs duties imposed on September 1, 1934, has been to exclude entirely from the market all Canadian table potatoes. However, the trade in seed has been retained, since these enter duty-free, the Canadian product being favoured by local growers. If Canadian products generally are again accorded the benefits of the Cuban minimum tariff, which is half of the maximum tariff now payable, it may be possible to recapture a portion of the table potato trade now held exclusively by United States shippers.

#### CURRENT PRICES

Only limited supplies of Canadian potatoes, of poor quality, are available at present on the Cuban market. Current prices for certified Red Bliss seed range from \$1.75 to \$1.90 per bag c.i.f. Havana.

No. 1 Irish Cobblers from the United States are quoted at \$1.27 to \$1.30 per bag c.i.f. Havana and No. 2 at \$0.80 to \$0.90.

#### EXPORTS

Cuba is not usually credited with being able to export potatoes, but beginning in 1934 a small export of Red Bliss to the New York market commenced. The harvesting of this variety begins early in January, but only a small part of the total crop is exported. This movement to the United States continues until the Florida crop becomes available in late February and early March. The total exports in 1934 amounted to only 600 kilos valued at \$34, but in 1935 this had grown to 1,085,878 kilos valued at \$43,892, the whole of which was shipped to the United States. In 1936, out of a total export of 1,151,350 kilos (\$50,562), the United States absorbed 1,127,200 kilos (\$50,037), and Panama took the remainder, 24,150 kilos (\$525). For the first six months of 1937 the total shipped abroad was 666,416 kilos (\$27,671), of which the bulk, amounting to 656,066 kilos (\$27,446), was purchased by United States importers and the remainder, 10,350 kilos (\$225), by Panama.

#### VARIETIES OF SEED IN DEMAND

On July 3, 1937, the variety "Katahdin" was added by the Cuban Department of Agriculture to those varieties of seed potatoes which previously were permitted to enter Cuba free of duty for seed purposes. The varieties at present accorded free tariff treatment are: Bliss Triumph, Green Mountain, Irish Cobbler, Presidente (Never-Rot), and Katahdin. The first-named are most favoured for the late-autumn planting and the second and third for the early-winter planting.

#### CUSTOMS DUTIES AND IMPORT REGULATIONS

Seed potatoes may be imported free of customs duties from any country, but only during the period September 1 to January 31 and only under a bond provided by the importer. Table potatoes imported from July 1 to October 31, inclusive, are assessed, per 100 kilograms gross weight, as follows: maximum

tariff \$8, minimum tariff \$4, tariff to United States \$2, and from November 1 to June 30, inclusive, maximum tariff \$10, minimum tariff \$5, tariff to United States \$4. Canadian table potatoes are assessed under the maximum tariff, which precludes all sales in competition with United States exporters.

Shipments of seed potatoes must be accompanied by consular and commercial invoices, and two official certificates issued by the Canadian Department of Agriculture. The first certificate, which bears a number, states that the potatoes are suitable for seed; that they are in good sanitary condition; it also gives the quantity, variety, and grade of seed, the name and place of the exporter, and the signature of the inspector. The second certificate, signed by a Canadian Government inspector, gives the quantity, variety, and grade of seed, the name and place of the exporter, and the value of the shipment with inland and ocean freight specified. These two certificates, the consular invoice, and the bill of lading must be viséd by a Cuban consul. Attached to each sack or barrel must be a label issued by the Canadian Department of Agriculture, which identifies the contents with the documents. The label states the variety, the grade, the number which the first certificate carries, and the grower's name.

### Dominican Republic

There is a very limited market in the Dominican Republic for both seed and table potatoes; because of a gradual increase in local production in recent years the import trade in this commodity seems to be disappearing. Recent customs tariff increases may be said to be the basic cause for this tendency. However, at no time was the potato of any particular importance as an import commodity, the maximum quantity brought into the country in recent years not having exceeded some 950 to 1,000 tons. These figures apply to the period when there was practically no domestic production.

The population of the republic is small and the demand for potatoes would be limited accordingly. Moreover, the competition from tropical fruits and vegetables which serve the same dietetic purpose as the potato, and which have been standard constituents of the diet of the people of the republic for a great length of time, added to its comparatively high cost, limit its consumption to the upper classes mainly. The farming population and the poorer urban classes are not usually able to afford potatoes except at irregular intervals and as a comparative luxury.

### PRODUCTION

The main potato-growing districts in the republic are: San Juen de la Maguana, Hato Mayor, El Seybo, San Cristóbal, and San Francisco de Macorís.

The usual planting season is from November to December. Many growers endeavour to plant their crops in October, but there has always been difficulty in obtaining imported seed of the preferred varieties, especially those from Canada, so early in the year, with the result that the principal seeding activity takes place in the later months. Marketing of the crop commences in January and continues well on into September. Heretofore all locally grown potatoes were exhausted by that time, but with increasing production it appears likely that the domestic product will now be available during much the greater part of the year.

Seed imports are confined almost entirely to the two varieties Irish Cobbler and Green Mountain, from which the highest yield per unit of seed planted is apparently obtained.

No information is available as to the acreage under potato cultivation, as the Department of Agriculture does not publish these statistics, nor is it possible from the amount of seed imported to estimate with any degree of accuracy the area normally planted, since seed imports have decreased to a marked extent during the past three years.



Similarly, the total volume of potatoes produced annually cannot be given, no figures being available, but an authoritative estimate by a British firm in Ciudad Trujillo, closely connected with the potato trade, indicates a total production in 1935 of 10,000 bags of 50 kilos each (500 metric tons) and 15,000 bags (750 metric tons) in 1936. To offset this considerably increased crop in 1936, there was a marked decrease in imports in that year.

#### PRODUCTION COSTS

Costs of production are similarly not available. Potatoes are grown chiefly by the peasant type of farmer, who keeps no record of costs and, as such items as land rental, costs of labour, fertilizer, cartage, etc., vary in every district, no estimate of any real value can be given. Yield per unit of seed planted is likewise variable, due to climate, types of soil, etc., but the average runs from 6 to 7 per unit sown.

The production of potatoes in the Dominican Republic, in an effort to supply the whole of local needs, really started only in 1935. In that year the Internal Revenue Tax on imported potatoes was raised from 1 cent per kilo net to 5 cents. The result was a heavy reduction in imports and a large increase in domestic production, with an interval during which consumption decreased, due to the high cost of the imported product.

#### IMPORTS

Seed and table potatoes are not separately classified in the statistics of imports, and there is no means of verifying accurately the importance of each in the import trade. However, the estimate of the above-mentioned firm places the seed imports in 1935 at 1,500 barrels of 165 pounds each, net (about 124 short tons), and in 1936 at only 200 barrels (about 17.5 short tons), evidence of a tendency to use locally grown potatoes as seed. It is doubtful if this policy can be maintained. Potatoes grown in Cuba, when used as seed in the succeeding year, never give as good a yield as would have been obtained from the same variety of imported seed. It has been fully established that northern potatoes degenerate in this climate, and there can be little doubt that they will also degenerate in the Dominican Republic, where climatic conditions are so similar to those in Cuba. It seems likely, therefore, that the import trade in seed will have to be continued even though the republic may become self-supporting at a later date in table potatoes.

The total imports for the period 1931-36 are as follows:—

		United States	Canada	Other Countries	Totals
1931 . . . . .	Kilos	578,910	319,023	...	897,933
	\$	13,252	7,245	...	20,497
1932 . . . . .	Kilos	705,378	147,463	500	853,341
	\$	17,374	3,561	19	20,954
1933 . . . . .	Kilos	368,174	320,421	250	688,845
	\$	12,893	10,629	12	23,534
1934 . . . . .	Kilos	452,309	176,733	54	629,096
	\$	10,215	2,980	1	13,196
1935 . . . . .	Kilos	99,812	234,130	...	333,942
	\$	2,627	4,498	...	7,125
1936 . . . . .	Kilos	23,007	73,832	...	96,839
	\$	1,095	2,925	...	4,020

#### ANNUAL CONSUMPTION

The total annual consumption of potatoes, including seed requirements, averages close to 850 metric tons. No official figures can be cited in support of this estimate, but the addition of the imports to the estimated yearly domestic production totals 834 tons in 1935 and 847 tons in 1936. Moreover,

before there was any potato production of any account in the republic, records show the average annual importation to have been somewhat less than 800 tons. This allows a small margin for increase in population.

#### PRICES AND PACKING

The standard packing is in bags of 50 kilograms. Prices vary from \$1.75 per bag when the harvest is in full swing to \$5 per bag towards the end of the season. Small red potatoes average from \$1.50 to \$3 according to the supply available. However, due to lack of proper storage space, the farmer seldom is able to hold his crop off the market long enough to obtain the advantage of the rise in prices towards the end of the season. (The currency quoted is the dollar, which is equivalent in value to the Canadian dollar.)

#### CUSTOMS DUTIES

The basic customs duty on potatoes, both seed and table, is \$1 per 100 kilos net. In addition, there is an internal revenue tax payable on imported potatoes of 5 cents per kilo net, which when added to the basic duty gives a total customs impost of \$6 per 100 kilos net. Consular invoice fees are 4 per cent of the f.o.b. steamer value. Up to the beginning of 1937 seed potatoes were permitted duty-free entry provided they were consigned to the Department of Agriculture, but this concession was withdrawn at that time, and seed potatoes are at present given exactly the same treatment as table potatoes for immediate consumption.

Previous to March, 1935, the Internal Revenue Tax was only 1 cent per kilo net instead of the present 5 cents. Undoubtedly, the present threefold duty impost was largely responsible for the marked drop in imports during 1936 and the consequently much greater domestic production last year from locally grown seed.

#### IMPORT REGULATIONS

All shipments of potatoes must be accompanied by a health certificate issued by the Department of Agriculture of the exporting country, certifying that they are free of disease of any kind and from contamination by the potato beetle. Potatoes not covered by such a certificate must be re-exported or destroyed at the expense of the exporter. Consuls of the republic have been instructed not to visé documents covering potato shipments unless the necessary health certificate be presented with the documents themselves. In addition, all seed potatoes must be certified as such by the Department of Agriculture of the exporting country.

### EXCHANGE CONTROL IN NICARAGUA

W. J. RIDDIFORD, CANADIAN TRADE COMMISSIONER

Panama City, September 15, 1937.—A report was published in last week's issue of the *Commercial Intelligence Journal* on the new exchange control law of Nicaragua. In the meantime, certain regulations of the Exchange Control Commission have been promulgated by Presidential decree, in view of which the following supplementary information is supplied:—

#### RESTRICTION OF IMPORTS

Imports of foreign merchandise are to be limited to the actual necessities of the commerce and industry of the country. It is understood that the importation of articles which might be classified as luxuries will be restricted. In the case of essentials and necessary commodities, the quantities ordered will be regulated with a view to avoiding excess purchases.



## IMPORTERS

The new regulations of the Exchange Control Commission require Nicaraguan importers to apply for permission to import foreign merchandise. A separate application for each separate importation is necessary. Only those merchants or firms included in the Mercantile Register of Nicaragua and who keep their accounts as required by the Nicaraguan Code of Commerce may apply for permission to import foreign merchandise. Individuals may apply for permission to import merchandise for their own industry, consumption, or use, providing the necessity of such importations is proved to the satisfaction of the commission.

## PERMISSION TO IMPORT

Applications made to the Exchange Control Commission for permission to import foreign merchandise must be submitted on a prescribed form, the information to be supplied including the following: (a) name and address of the person or entity to whom the order is addressed; (b) country of origin of merchandise; (c) approximate date upon which the merchandise is expected to reach Nicaragua; (d) Nicaraguan port of entry; (e) name of the importer in case the merchandise is consigned to a third party; (f) value of the merchandise in the currency of the country of origin; (g) detailed description of the merchandise ordered.

Applications approved will be returned to the applicant, bearing the stamp of approval of the Exchange Control Commission. This document, which is really an import permit, must be forwarded by the Nicaraguan importer to the foreign exporter, who will be unable to obtain his consular invoice without it. The authorized order form or import permit should then be returned by the exporter to the Nicaraguan importer, who will be unable to clear his merchandise through the Nicaraguan customs unless it is presented.

Nicaraguan importers are required to notify the Exchange Control Commission immediately regarding any cancellation of orders for foreign merchandise already approved. Similarly, the commission must be advised regarding any discrepancy between the quantity of foreign merchandise shown on an import permit and the quantity actually shipped. These import permits are subject to automatic cancellation unless the merchandise specified therein is embarked from the country of origin within ninety days of the date of issue of the relative permit.

## TRAVELLERS

Travellers leaving Nicaragua may take with them, without obtaining the permission of the Exchange Control Commission, a sum in United States currency or its equivalent in other currency not exceeding \$200. The written permission of the commission is necessary for larger amounts, and a permit must be presented to Nicaraguan Customs authorities at port of departure. Travellers in transit carrying with them more than \$200 in cash or instruments of foreign exchange must declare the amount on entry and obtain a certificate from the Nicaraguan Customs which will entitle them to take out of the country a sum not exceeding the amount declared. Commercial travellers' samples, providing they are not valued at more than 100 cordobas, are not subject to import restrictions and permits. Commercial samples exceeding 100 cordobas in value will be permitted entry into the country only with the special permission of the Exchange Control Commission.

## VIOLATION OF REGULATIONS

Any proved violation of the regulations of the Exchange Control Commission will render the firm or party in question subject to immediate suspension

without prior notice of permission to import. Fines and other penalties also are prescribed for infractions of the regulations.

### CONTROL OF EXPORTS

The exportation of national produce will not be permitted by the Nicaraguan Customs unless the written authority of the Exchange Control Commission is presented to the Customs. Exporters of Nicaraguan merchandise are required to supply the Exchange Control Commission with an irrevocable letter of instructions to forwarding agents at port of shipment ensuring that a complete set of shipping documents in duplicate covering each export shipment shall be surrendered to the National Bank of Nicaragua. In addition, Nicaraguan exporters are required to satisfy the Exchange Control Commission that the net proceeds in foreign currency of exports of Nicaraguan produce will be returned to the country and surrendered to the Banco Nacional. In this connection, the Exchange Control Commission is entitled to inspect drafts, account sales, and other documents in connection with export shipments.

### FROZEN CREDITS

Under the new regulations the Ministry of Finance is required to proceed with negotiations with foreign creditors for the purpose of effecting liquidation of the commercial debt. Without awaiting the result of these negotiations, the Ministry of Finance is required to open a special account for the proceeds of the tax on foreign exchange transactions and to set aside the necessary sums for application in due course to the liquidation of the commercial debt assumed by the Nicaraguan Government.

## TRADE OF EL SALVADOR, JANUARY TO JUNE

S. G. MACDONALD, ASSISTANT TRADE COMMISSIONER

(2.5 colones equal \$1 Canadian)

Mexico City, September 18, 1937.—Preliminary statistics recently issued by the Republic of El Salvador for the first six months of 1937 indicates a small increase in imports over the corresponding period in 1936 and an expansion in exports of more than 50 per cent. Total imports are valued at 10,587,000 colones as compared with 10,562,000 colones in 1936 and 12,352,000 colones in 1935, while exports amounted to 31,338,000 colones as against 20,569,000 colones and 19,389,000 colones respectively in the two preceding years.

The statistics issued show only countries of origin for imports and destination for exports; there are no figures for individual commodities. They indicate, however, rather clearly the trend of the trade of the republic. As usual, the United States is the most important purchaser as well as supplier. Germany and the United Kingdom rank second and third as sources for imports; Germany, Norway, and Canada are the principal markets for El Salvador's exports.

### IMPORTS AND EXPORTS

The following table shows the distribution of the trade of El Salvador by countries for the first six months of 1937 and 1936, with values in colones:—



	Imports		Exports	
	1937	1936	1937	1936
	Figures in Colones		Figures in Colones	
United States .. . . .	4,505,000	3,949,000	18,861,000	11,973,000
Germany .. . . .	3,120,000	3,406,000	4,006,000	2,982,000
United Kingdom .. . . .	1,177,000	1,044,000	214,000	80,000
France .. . . .	274,000	220,000	808,000	572,000
Belgium .. . . .	148,000	98,000	187,000	44,000
Peru .. . . .	260,000	242,000	.....	.....
Italy .. . . .	188,000	133,000	942,000	76,000
Honduras .. . . .	149,000	124,000	294,000	105,000
Guatemala .. . . .	124,000	182,000	154,000	68,000
Argentina .. . . .	64,000	2,000	.....	.....
Netherlands .. . . .	60,000	20,000	333,000	296,000
Sweden .. . . .	58,000	31,000	1,274,000	1,203,000
Switzerland .. . . .	57,000	9,000	.....	.....
Spain .. . . .	49,000	149,000	.....	.....
Chile .. . . .	.....	.....	103,000	54,000
Norway .. . . .	.....	.....	2,060,000	1,351,000
Canada .. . . .	107,000	27,000	1,398,000	3,000
Finland .. . . .	.....	.....	435,000	206,000
Denmark .. . . .	.....	.....	132,000	302,000
Czechoslovakia .. . . .	67,000	48,000	.....	.....
Costa Rica .. . . .	.....	.....	25,000	2,000

### TRADE WITH CANADA

It will be noted that Canada's share in the Salvadorean trade has increased greatly during the first six months of 1937 as compared with the corresponding period in 1936. Exports to Canada advanced from 3,000 colones in the first half of 1936 to 1,398,000 colones in the first six months of the current year. Imports from the Dominion in the 1936 period increased from 27,000 colones to 107,000 colones in the period under review. As a result of the shipping strike on the Pacific Coast late in 1936, much of the coffee which normally was marketed in the San Francisco area was shipped to Vancouver, whence it entered the United States. During the first half of 1937 this movement continued, and is no doubt responsible for the extraordinary increase in the Salvadorean figures of exports to Canada, although there were important increases in the Canadian purchases of coffee during the period.

### ARGENTINE FLOUR-MILLING INDUSTRY, 1936

J. A. STRONG, CANADIAN TRADE COMMISSIONER

Buenos Aires, August 26, 1937.—The Argentine flour-milling industry consumed 71,277,736 bushels of wheat during 1936. This figure represented 50·5 per cent of the total wheat production of the country from the 1935-36 crop. The proportion of the domestic crop milled locally over the past ten years was 31 per cent. However, the per capita consumption of wheat flour was 231·6 pounds in 1936 as compared with a ten-year average of 225·7 pounds, so that there is practically no real change in the consumption position. The higher percentage of the crop consumed locally last year was due entirely to the poor crop harvested in 1935-36.

### FLOUR PRODUCTION

Argentina produced 15,389,584 barrels of wheat flour last year from the 186 mills operating as compared with 16,153,000 barrels from 194 mills for 1935 and 15,918,000 barrels from 184 mills during 1934. The following table

shows the trends in production, domestic consumption, and exports of wheat and wheat flour from 1919 to 1936:—

*Production and Distribution of Flour in Argentina*

	Wheat		Production		Flour Distribution	
	Exported Bus.	Milled Bus.	Flour Bbls.	By-products Tons	Domestic Bbls.	Exported Bbls.
			Figures in Thousands			
1919-23 . . . . .	128,783	50,980	10,820	...	9,094	1,725
1924-28 . . . . .	139,161	64,352	13,815	...	11,689	1,783
1928 . . . . .	194,000	69,270	14,971	...	13,069	1,901
1929 . . . . .	242,700	67,542	14,619	...	13,078	1,540
1930 . . . . .	81,200	65,345	13,983	516	12,810	1,173
1931 . . . . .	133,500	69,865	14,932	554	13,962	968
1932 . . . . .	126,300	67,436	14,567	520	13,915	651
1933 . . . . .	144,200	69,795	15,075	538	13,961	1,112
1934 . . . . .	175,900	71,063	15,918	561	14,676	1,242
1935 . . . . .	141,700	74,418	16,153	573	15,157	995
1936 . . . . .	59,101	71,278	15,389	561	14,503	886

EXPORTS OF FLOUR

Export markets have accounted for 8·2 per cent of the aggregate production of wheat flour in Argentina from 1927 to 1936. Last year exports amounted to 886,849 barrels or 5·8 per cent of the total flour production; Brazil took 331,598 barrels or 37·4 per cent of the flour exported to all countries. Argentine exports of flour to Brazil are decreasing, due to the development of the milling industry in that country, but this loss is largely offset by an increase in wheat purchases from Argentina.

The table below shows the exports of Argentine flour, together with the quantity of wheat taken by the main flour-consuming markets. Again the reduced shipments of wheat and flour shown for last year were due to the fact that the Argentine wheat production from the 1935-36 crop was only 141,295,000 bushels as compared with 240,385,000 bushels for the 1934-35 crop.

*Exports of Wheat and Flour from Argentina*

	1936		1935		1934		1933		1932	
	Wheat Bus.	Flour Bbls.	Wheat Bus.	Flour Bbls.	Wheat Bus.	Flour Bbls.	Wheat Bus.	Flour Bbls.	Wheat Bus.	Flour Bbls.
	Figures in Thousands									
Great Britain.. .	5,894	161	37,480	121	69,375	136	44,676	220	81,572	403
Bolivia.. . . .	960	39	425	67	184	39	85	31	9	32
Brazil . . . . .	32,078	331	32,882	376	29,473	753	27,517	383	25,770	810
Chile.. . . .	.....	5	703	29	155	40	1,996	196	26	14
Ecuador . . . . .	.....	14	.....	23	.....	20	.....	12	.....	.....
Paraguay . . . . .	370	136	857	90	568	110	525	123	509	67
Peru . . . . .	3,947	...	4,874	...	2,910	....	1,344	....	1,850	....
Uruguay . . . . .	.....	...	54	....	.....	5	2,808	16	.....	.....
Spanish Poss. . .	207	50	313	154	420	97	497	93	450	99
Others . . . . .	15,643	146	64,268	136	73,085	42	64,950	29	132,854	116

EXPORTS OF MILL-FEEDS

The local flour mills produced 560,585 tons (of 2,205 pounds) of by-products last year as compared with 573,000 tons in 1935. Exports of mill-feeds amounted to 419,737 tons in 1936 or 75 per cent of the total production as compared with 392,576 tons in 1935. There is a limited domestic demand for this type of feedstuff in Argentina.

The principal feedstuffs exported in 1936 (1935 figures within parentheses) were as follows: bran and shorts, 308,788 tons (302,497 tons); fine middlings, 24,838 tons (19,403 tons); middlings, 85,066 tons (69,745 tons); groats, 32 tons (29 tons); wheat sprouts, 1,013 tons (903 tons).



The United Kingdom took 219,001 tons of the 308,788 tons of bran and shorts exported to all countries as compared with 215,337 tons of the 302,497 tons exported in 1935. The other export markets that consumed appreciable quantity of bran and shorts were: Germany, 16,285 tons; Belgium, 25,955 tons; Denmark, 14,635 tons; United States, 8,295 tons; Finland, 5,374 tons; Irish Free State, 1,057 tons; Mexico, 917 tons; Norway, 1,764 tons; Holland, 2,988 tons; Sweden, 7,395 tons; and British West Indies, 1,935 tons.

In view of the limited local demand for mill-feeds and the fact that the quantity of wheat milled here shows little variation from year to year, the quantity of by-products available for export annually is fairly constant, and prices are always on an export basis. Due to the favourable climate in Argentina, there is very seldom any difficulty experienced in respect of the moisture content of bran. The bran is purchased from the mills by export firms on the basis of "fair average quality," subject to arbitration by a committee of the local grain exchange. Several of the large flour mills export direct.

### ARGENTINE GRAIN ACREAGE, 1937

Mr. J. A. Strong, Canadian Trade Commissioner at Buenos Aires, writes under date September 18 that the first official estimate of the acreage seeded to wheat and other cereals this year was issued by the Argentine Department of Agriculture on September 17.

The area in wheat is estimated at 17,586,400 acres, or 91,390 acres more than in 1936, but is 1,655,369 acres below the average for the previous ten years and 401,276 acres under the average for the last five years. The area in flax is 6,298,500 acres or 1,136,200 acres lower than in 1936 and 971,960 acres below the 1931-35 average. The acreages in other cereals, with those for 1936 within parentheses, are as follows: oats, 3,122,200 (2,964,000); barley, 1,914,250 (1,976,000); and rye, 2,099,500 (1,729,000). The area in birdseed this year is 98,800 acres.

### MARKET FOR POTATOES IN VENEZUELA

W. J. RIDDIFORD, CANADIAN TRADE COMMISSIONER

Panama City, September 11, 1937.—There is a small but steady demand for potatoes in Venezuela. The market is not a particularly attractive one, because price is the main consideration, not a great deal of importance being attached to quality. Canadian exporters are handicapped somewhat in the matter of shipping facilities, but recently Canadian potatoes have been shipped to Venezuela in increasing quantities in spite of that difficulty.

#### DOMESTIC PRODUCTION

No statistics are available regarding the domestic production of potatoes in Venezuela, but it is reliably reported that the local crop, which is harvested during the period February to May, does not supply one-half of the total domestic demand. Domestic production, therefore, is probably in the neighbourhood of 2,500 tons annually.

In spite of the fact that wide areas are available, affording suitable soil and climatic conditions for the growing of potatoes, the domestic crop remains insufficient, and the quality of the potatoes grown locally is decidedly inferior. Of course, locally grown potatoes are considerably cheaper than the imported, which would seem to indicate that there might be an outlet in Venezuela for certified seed for the purpose of improving the quality and increasing the value of the domestic crop.

DUTY

On October 23, 1936, the duty on potatoes imported into Venezuela was more than doubled, being increased from 0.075 bolivar (approximately 2.3 cents) per gross kilogram to 0.18 bolivar (approximately 5½ cents) per gross kilogram. There are no tariff preferences on potatoes. The high duties now leviable upon potatoes imported into Venezuela may make it profitable for growers to import certified seed with a view to improving the quality of the domestic crop.

IMPORTS

The latest statistics of imports available are those for the six-month periods July to December, 1935, and January to June, 1936. During the last six months of 1935 approximately 3,062 short tons of potatoes were imported into Venezuela; for the first six months of 1936, during which period the domestic crop was on the market, approximately 2,254 short tons were imported. The following table shows the volume, in gross kilograms, of imports from the leading supplying countries during these two six-month periods:—

Imports of Potatoes into Venezuela

	July-Dec., 1935	Jan.-June, 1936
	Kilos	Kilos
Netherlands . . . . .	1,140,276	796,953
United States . . . . .	1,015,160	675,101
Belgium . . . . .	402,199	228,701
Germany . . . . .	77,650	1,160
Trinidad . . . . .	72,508	90,997
Canary Islands . . . . .	33,400	181,902
Denmark . . . . .	16,820	11,600
United Kingdom . . . . .	16,775	8,714
Canada . . . . .	8,300	54,085
	2,783,088	2,049,213

The progress being made by Canadian potatoes in the Venezuelan market is gratifying, but it should be possible to greatly increase the Dominion's share of this trade. Undoubtedly the lack of direct sailings from Canada to Venezuelan ports constitutes the main difficulty. Canadian exporters should study carefully the comparative advantage of shipping direct from New York and alternative routings providing for transhipment at Trinidad, Curacao, Kingston, or Cristobal.

CONSUMING CENTRES

By ports of entry imports of potatoes into Venezuela during the two six-month periods mentioned above were as follows:—

	July-Dec., 1935	Jan.-June, 1936
Ports of Entry	Kilos	Kilos
La Guaira . . . . .	2,187,709	1,552,849
Puerto Cabello . . . . .	335,082	262,767
Maracaibo . . . . .	137,154	99,432
Cuidad Bolivar . . . . .	77,160	88,843
Guiria . . . . .	32,248	42,168
Other ports . . . . .	13,655	3,154
	2,783,008	2,049,213

The outstanding importance of the La Guaira (Caracas) district of Venezuela is clearly indicated in the above table.

PRICES

There is considerable variation in potato prices according to season and country of origin. American and Canadian potatoes are usually quoted at about the same price, from \$2.60 to \$3.10 (United States currency) per bag of 100 pounds net c.i.f. La Guaira or Puerto Cabello. Beginning in May, heavy



shipments arrive in Venezuela from Europe, chiefly from the Netherlands. These potatoes are inferior in quality to the North American product, but they are considerably cheaper. Recent quotations on Holland potatoes were in the neighbourhood of 1.75 florin per crate of 30 kilos net c.i.f. La Guaira.

#### VARIETIES IN DEMAND

The Red Bliss Triumph is the most favoured variety, although Green Mountain also enjoys good demand. Price, however, is the dominant factor at all times, and therefore potatoes of reasonable quality and appearance, regardless of variety, will find a ready market providing prices are attractive. During May, 1937, for the first time, potatoes of good appearance of an unclassified variety were received in Venezuela from Madeira. Because of their low price, about 12s. 6d. per bag of 50 kilos net c.i.f. La Guaira, these Madeira potatoes have obtained a good share of the business during recent months.

#### IMPORT REGULATIONS

Shipments must be covered by an inspection certificate, a Venezuelan consular invoice, and the usual bills of lading. On the consular declarations the exact wording of the Venezuela Customs Tariff Law in respect of potatoes must be copied. All parcels must be numbered consecutively and marked with the initials of the importer. The inspection certificate must be that of the Department of Agriculture of the country of origin.

#### TRADE PRACTICES

Local representatives of potato shippers usually receive a commission of approximately 5 per cent of the c.i.f. value, or about 10 cents United States currency per bag. The normal practice is for sight drafts to be drawn for the total amount of the invoice against the importing firm. Some Holland and American exporters will grant terms of sixty days sight, or alternatively offer a 2 per cent cash discount for payment at sight. The shipping documents should be sent direct to the consignee at port of destination. Under Venezuelan law it is no protection to the shipper to attach the documents to the draft, since importers may clear their shipments through the customs by using copies of the original documents. Venezuelan law provides that manifests must be presented to the customs within three days after the arrival of a ship at a Venezuelan port. Failure to observe this requirement results in the imposition of a fine. If shipping documents are attached to a draft, delays occur almost invariably, and importers may be heavily fined.

#### PACKING

Since the duty on potatoes is levied on gross weight, the ordinary jute sack packing is preferred. However, if light-weight ventilated crates are available, possibly Canadian exporters could use them because of the additional protection they afford. This point is particularly worthy of consideration if the routing involves a transshipment.

#### SUGGESTIONS TO CANADIAN EXPORTERS

Potatoes which have been in cold storage should not be shipped to Venezuela, as they are likely to spoil in transit. Care should be taken that the potatoes and the containers are dry and free, at time of shipment, from any condition which might result in the development of rot or sweating en route. Canadian exporters desiring further information regarding the Venezuelan market for potatoes, or wishing to be placed in touch with reliable importers, are invited to communicate with the Canadian Trade Commissioner, Apartado 222, Panama, Republic of Panama.

## WHEAT AND FLOUR TRADE REGULATION IN EUROPEAN COUNTRIES<sup>1</sup>

### VIII. Italy

A. B. MUDDIMAN, CANADIAN TRADE COMMISSIONER

(1 quintal equals 220 pounds, or 3·67 bushels; 1 hectare equals 2·471 acres; 1 lira equals 5·2 cents Canadian)

Milan, August 30, 1937.—The Italian Permanent Wheat Committee, following a meeting held in Rome on June 12, reported that the domestic crop for 1937 would be satisfactory and far superior to that of the previous year.

The Italian Minister of Agriculture has stated that this year's wheat crop is estimated at over 80,000,000 quintals (about 295,000,000 bushels), sufficient to meet domestic requirements.

#### IMPORTS

No statistics are available showing imports of wheat into Italy for the years 1935 and 1936; imports in the three preceding years were as follows:—

#### *Imports of Wheat into Italy*

	1934	1933	1932
Hard Wheat	Bushels	Bushels	Bushels
Russia . . . . .	1,034,573	1,552,520	4,902,349
Argentina . . . . .	234,146	10,936	411,920
Canada . . . . .	899,590	1,014,241	3,003,381
United States . . . . .	1,232,459	856,467	1,085,402
Other countries . . . . .	507,194	125,734	229,925
Total . . . . .	3,907,962	3,559,898	9,632,977
Soft Wheat			
Albania . . . . .	37,801	.....	.....
Bulgaria . . . . .	11,890	734	28,809
Yugoslavia . . . . .	146	.....	243,577
Roumania . . . . .	36	4,587	581,401
Hungary . . . . .	3,539,678	53,765	35,782
Russia . . . . .	300,536	635,644	1,615,534
Australia . . . . .	305,931	2,146,105	8,739,004
Algeria . . . . .	364,027	.....	.....
Argentina . . . . .	724,641	2,494,352	9,700,213
Canada . . . . .	679,794	1,134,507	1,684,126
United States . . . . .	6,293,279	6,735,881	6,187,987
Other countries . . . . .	1,055,748	323,547	312,060
Total . . . . .	13,313,507	13,529,122	29,128,493

#### PRICES

As from June 12, 1937, the Italian Permanent Wheat Committee fixed the net price payable to farmers for wheat delivered to the pools at 125 lire per quintal (\$1.77 per bushel) for soft wheat weighing 78 kilograms per hectolitre (48·7 pounds to 1 cubic foot), and 140 lire per quintal (\$1.98 per bushel) for hard wheat weighing 80 kilograms per hectolitre (50 pounds to 1 cubic foot), with an allowance of 1 per cent for impurities. These prices will be increased or decreased for qualities above or below these standards.

#### ADVANCES TO GROWERS AND PROCEDURE OF SALES

A total of 722,000 lire was awarded in prizes this year to seventy-six farmers who obtained the highest wheat yields, and it was officially stated that

<sup>1</sup> Earlier reports in this series were published in the *Commercial Intelligence Journal* as follows: United Kingdom, No. 1748; Belgium, No. 1751; Germany, No. 1752; Norway, No. 1753; France, No. 1754; Finland, No. 1755; Irish Free State, No. 1756.



future payments would be made in full to the farmers on delivery of their wheat to the elevators. Since this declaration a bill to regulate the wheat market has been presented to Parliament, the provisions of which may be briefly summarized as follows:—

All wheat grown in the country or imported from the colonies or foreign countries, including temporary imports, must be consigned to the wheat pools, which buy domestic wheat from the farmers at fixed uniform prices for the several qualities. A small deduction is made for storage, but all other costs and profit for marginal activities are eliminated. The domestic wheat held by the pools continues to be the property of the growers, who authorize the pool to sell it on the conditions and in accordance with the methods provided for under the legislation.

The purchase price of the wheat is advanced to the pools by banks authorized to transact business in agricultural credit. Should the agricultural credit banks finance the pools in part by subsidies from the bank of issue, they are required to reduce or eliminate such credits progressively with the money received for the grain sold. The pools pay the farmers by cheques on the banks against the line of credit opened in their name.

The pools in each province are placed under a central provincial committee on which sit two representatives of the Provincial Union of Agricultural Landowners, one of whom is a wheat farmer. The committee also includes a representative of the Provincial Union of Agricultural Workers and a representative of the Agricultural Consortium of the Province. The President, representing the banks financing the pools, is appointed by the Minister of Agriculture. The provincial committees are under the supervision of the Ministry of Agriculture, to which they are responsible.

The prices paid in 1936 were 118 lire per quintal for soft and 133 lire for hard wheat on the farm (\$2.56 and \$2.85 per bushel respectively, at last year's rate of exchange). The carry-over from one crop year to another is credited to the pool for the ensuing year.

The report accompanying the bill points out that "we are living in a period of controlled economy, and we must not hesitate to complete control by an organization which safeguards and regulates the sale and price of staples of primary social importance. The marketing of wheat at a price which is not speculative is a matter of the greatest importance to the nation, for it not only assures a fair profit to the farmers, but is beneficial to all classes, as the price of bread is determined by the price of wheat."

#### SEED GRAIN SELECTION

The Italian Government is particularly insistent on the wider adoption on the part of the growers of a select variety of seed grains, in an effort to increase the quality and volume of the crop. In this connection, the Department of Agriculture gives particular attention to the distribution of the required seeds. The grain selected for sowing purposes has to be put on sale in sealed containers, with a tag indicating the quality and variety of the seed and the name of the producer.

#### ITALIAN HARD WHEAT

The average annual production of hard wheat in Italy is estimated at 15,000,000 quintals (55,000,000 bushels), the principal producing zones being Sicily, Sardinia, Calabria, and Puglie. Some hard wheat is imported also from Italian Libya. The present Italian consumption of hard wheat is estimated to be around 20,000,000 quintals (73,000,000 bushels) annually.

## FURTHER REGULATIONS

In 1925 Italy initiated the so-called "Wheat Battle," and on July 4 of that year the Permanent Wheat Committee was formed. This committee is the central figure in the annual wheat-growing campaign in Italy. Local official and semi-official agencies, including provincial wheat committees, agricultural workers' and employers' syndicates, agricultural co-operatives, and educational bodies, are enlisted in these campaigns.

Before the war Italy produced only 10 quintals of wheat per hectare (14·8 bushels per acre); during the first five years of the Wheat Campaign (1925-29) this was increased to 12·5 quintals (18·5 bushels), and in the second five years (1930-34) to 14·65 quintals (21·7 bushels per acre). The 1910-14 average wheat crop was 180,831,910 bushels, raised on 11,752,076 acres. For the period 1931-35 the average crop was 267,051,220 bushels from 12,320,406 acres. The total yield thus increased by 47·6 per cent and the yield per acre by 41·1 per cent.

The average annual importation of wheat before the war was 13,000,000 quintals (47,710,000 bushels). In the four years preceding the "battle of the grain" (1921-24) the average importation was doubled to 26,000,000 quintals (95,420,000 bushels).

It is proposed to increase the yield to 23·7 bushels per acre, when national requirements could be met by cultivating 11,613,700 acres, thus releasing an additional 741,300 acres to be devoted to industrial crops. These are now grown on 509,026 acres, and include sugar-beets, hemp, flax, tobacco, and some cotton.

All purchases of foreign wheat are at present made by the Federazione Italiana dei Consorzi Agrari. The duty on imported wheat is 18 lire per metric quintal, effective as from January 30, 1937. The importation of wheat into Italy is subject to licence issued by the Italian Minister of Finance.

## WHEAT FLOUR

Both the production of and trade in wheat flour are rigidly controlled by the Italian Government. By a recent decree millers are obliged to report to their local municipal authorities, at the end of each month, the quantity of flour shipped during the month, destinations of shipments, and the stocks on hand.

Under the regulations there are three grades of wheat flour, based on quality. Each bag of flour put on the market must bear a tag indicating the grade and the name of the producing firm.

## IMPORTS

Statistics of wheat flour imports into Italy in 1935 and 1936 are not available. In 1934 total Italian imports were 84,139 quintals, of which Canada supplied 18·35 per cent, while in 1933 the total was 170,690 quintals, of which Canada supplied 36·46 per cent. Hungary was the leading source of supply in 1934 with 26,584 quintals as against 20,803 quintals in 1933, followed by the United States, 17,679 quintals (80,291); France, 16,165 quintals (2,343); Canada, 15,594 quintals (62,242); Russia, Bulgaria, Yugoslavia, and Austria were small sources of supply.



## PRICES

The price of flour has been fixed in accordance with the price of wheat. The following table shows the prices which have been established for the three grades of flour:—

Grade of Flour	Lire per Quintal	Equivalent Price per Bushel
0 . . . . .	184	\$2.60
1 . . . . .	174	2.46
2 . . . . .	169	2.39

Fixed prices for bread obtained from the different grades of flour are as follows (these vary according to the shape of the loaf):—

From Grade	Lire per Kilo	Equivalent Cents per Pound
0 . . . . .	2.10 to 2.30	4.9 to 5.4
1 . . . . .	1.85 to 1.95	4.3 to 4.6
2 . . . . .	1.70	4

A strict control is also being exercised for the time being over the production of and trade in alimentary pastes. To relieve the situation created by the scarcity of hard wheat, it has been found necessary to prohibit the use of hard wheat in the making of bread to be sold in the kingdom. Manufacturers of alimentary pastes are obliged to use a flour which is a mixture of 60 per cent hard wheat and 40 per cent soft wheat. These pastes will be put on sale under the name of "pasta di semola." It is permitted to use flours made from other cereals or farinaceous plants in a proportion not exceeding 20 per cent. This latter type of paste will be known in the trade as "pasta miscelata," and will be retailed at prices lower than those obtained for "pasta di semola" and "pasta comune" and will be subject to certain standards of colour, odour, and taste.

At present the types of alimentary paste saleable in the kingdom are: pasta di semola, 60 per cent hard wheat flour and 40 per cent soft wheat flour; pasta comune, 100 per cent soft wheat flour; pasta miscelata, 80 per cent wheat flour and 20 per cent other cereal flour; pasta speciale, pasta di semola with the addition of gluten, malt, eggs, tomatoes, and meat.

The manufacture of a certain quantity of paste from 100 per cent hard wheat flour will still be permitted for those whose diet is restricted, but this type of paste will be sold in sealed containers of not more than 250 grams, on which will be indicated the nature and the proportion of the ingredients.

The sale of hard wheat flour for bread-making, as well as the sale of hard wheat, is also prohibited.

Decree No. 723 of June 10, 1931, stipulates that foreign wheat flours and semolina imported into Italy must be blended with wheat flours and semolina of national production, so that the percentage of foreign flours and semolina contained in the blend shall not be greater than 1 per cent.

The present duty in Italy on imported wheat flour is 27.50 lire per metric quintal, effective as from January 30, 1937. The importation of wheat flour is subject to licence issued by the Italian Minister of Finance.

## IX. Portugal

## WHEAT

Milan, September 3, 1937.—Importation of wheat into Portugal is only allowed by special decree. Such decrees specify the quantities to be imported and the customs duties for each shipment. The customs duties are levied at a rate designed to equalize prices prevailing on world markets and those on the domestic markets. Since the actual duty on wheat imported into Portugal depends upon the spread between these prices, there is no fixed rate of duty. However, the Portuguese cost of production is far in excess of world costs.

A guarantee price has been paid for some time by the Government to the Portuguese farmer. This price has been fixed annually but depends on the quality and specific gravity of the wheat offered. There are no quotas, but all importation is in the hands of the National Federation of Millers, working in conjunction with the National Federation of Wheat Producers for the purpose of rationalizing the milling industry.

### EXCHANGE CONTROL

The purchase of foreign exchange is still subject to regulations, which, however, are merely formal in character, and in no way impede payments or obstruct the importation of goods from foreign countries. In fact there is no difficulty in making payments for imported goods, as there is no lack of foreign cover, and permits to purchase foreign exchange are freely granted. Permits are not required for the purchase of sums up to \$500 per month per person.

The policy of the Government is to facilitate foreign trade transactions and, in view of the well-balanced budget, there is no need to restrict the outflow of currency.

### PRESENT SITUATION

Average annual consumption of wheat in Portugal is approximately 12,127,500 bushels. For the past two years the country has produced a crop larger than was required to meet domestic needs. This year, however, production is slightly below average, amounting to 14,484,650 bushels. The crop this year is mediocre and, following the disastrous crop of 1936, there is a possibility of a wheat shortage.

The carry-over from 1936 amounted to 1,576,810 bushels, to which must be added 165,015 bushels of flour in millers' stocks. Only 16,226,475 bushels are available therefore to meet all demands. This includes not only the 12,127,500 bushels for actual consumption purposes, but the wheat required for seedling purposes, agricultural consumption and supplies for Madeira, and consumption carry-over.

According to Decree No. 27952, published in the *Diário do Governo*, Lisbon, on August 14 of this year, the Portuguese Government, even in the face of this situation, is unable to contemplate a reversion to the old system of importing foreign wheat, on account of the strain on the country's income. In 1929 Portugal paid out for wheat imports around \$17,500,000. It is the fixed policy of the Government that Portugal's cereal food supply must be produced in Portugal, the islands and the colonies. If this policy is pursued, Portugal is out of the import market.

### IMPORTS

The following table shows imports of wheat into Portugal from the principal supplying countries for the years 1934 and 1935; figures for 1936 are not available:—

#### *Imports of Wheat into Portugal*

	1934		1935	
	Bus.	\$	Bus.	\$
Total.. . . . .	632,252	662,659	518,876	446,718
Argentina.. . . . .	366,480	276,666	380,891	329,796
United States .. . . .	25,190	25,523	11,100	10,224
Angola.. . . . .	240,580	360,450	1,808	1,728
Canada.. . . . .	.....	.....	18,456	19,296
France.. . . . .	.....	.....	36,384	26,100
Roumania .. . . . .	.....	.....	70,164	59,513

### WHEAT FLOUR

No wheat flour may be imported into Portugal except by ministerial decree. As in the case of wheat, customs duties payable on flour imports are specified concurrently with the issuance of the decree.



Imported flour must conform to the same specifications as those applying to domestic flour, vide: moisture limit, 15 per cent; ash, 1 per cent; acidity, 0.05 per cent; dry gluten (minimum), 7 per cent.

The extraction ratio for wheat is equal to the specific weight of the grain, i.e. the weight per hectolitre. Accordingly from 100 kilos (220 pounds) of wheat, the specific weight of which is 78, the quantity of flour produced is 78 kilos.

#### PRESENT SITUATION

In accordance with the stated policy of the Portuguese Government previously referred to, whereby Portugal's cereal food supply must be produced in Portugal, the islands and the colonies, it has been decided that from September 15, 1937, it will be necessary to adulterate the wheat flour to be used for bread-making or other alimentary purposes by adding a proportion of maize or rye flour. Tourists and the sick will still be able to obtain one quality of fine, pure, wheat-flour bread, but the second-quality flour will be in general use as follows: in Lisbon and Oporto the mixture of maize or rye flour will be 12.5 per cent; in Coimbra (except Castelo Branco), 11.1 per cent; and in districts where only one type of flour is available, 12 per cent. The National Bread Institute will control the proportion of maize or rye flour used. Provision is made for increasing the proportion of pure rye to 20 per cent in districts where only one quality of flour is available.

Any profits arising from the operation of these measures will be devoted by the Government to the encouragement of wheat culture, principally in the form of a bonus on the quantity of fertilizer used in the next crop.

#### IMPORTS

The following table shows imports of wheat flour into Portugal for the years 1934, 1935, and 1936; values are not available for 1936:—

##### *Imports of Wheat Flour into Portugal*

	1934		1935		1936
	Lbs.	\$	Lbs.	\$	Lbs.
Germany . . . . .	1,116,194	11,164	71,049	1,165	.....
Argentina . . . . .	6,562	142	13,895	240	.....
United States . . . . .	255,189	6,039	1,689,804	33,158	1,077,714
United Kingdom . . . . .	11,662,246	167,735	10,454,697	168,184	4,891,203
Belgium . . . . .	638,675	9,242	40,995	653	.....
France . . . . .	.....	.....	655,619	9,928	304,667
Canada . . . . .	.....	.....	13,890	225	356,806
Poland . . . . .	.....	.....	59,270	1,215	98,256
Total . . . . .	13,678,866	191,322	12,999,219	214,768	6,728,646

#### INDIAN WHEAT CROP

PAUL SYKES, CANADIAN TRADE COMMISSIONER

Calcutta, August 26, 1937.—The total yield of the Indian wheat crop during the 1936-37 season has been officially estimated at 9,808,000 tons, an increase over the previous crop of 388,000 tons and over the average for the preceding five years of 421,000 tons. Previous reports have indicated that the crop has been harvested from an acreage which was somewhat smaller than the average, and the improvement in the yield is accordingly a matter of interest. The yield per acre during the present season was 661 pounds as compared with 627 pounds from the 1935-36 harvest.

Approximately two-thirds of India's wheat crop is grown in the Punjab and the United Provinces, and practically the whole of the increased yield of

the present season is credited to the former of these areas. The yields in other provinces and states showed small changes from those recorded in 1935-36, except for a substantially improved output in Hyderabad and abnormal declines in Gwalior and Bombay.

### EXPORT TRADE

Sea-borne exports of Indian wheat have shown phenomenal expansion during the past year. Whereas during the crop years April to March, 1933-34, 1934-35, and 1935-36, export shipments amounted to no more than 2,100 tons, 11,000 tons, and 9,600 tons respectively, the 1936-37 total amounted to 231,500 tons, and for the first three months of the present year has already amounted to 144,600 tons. It is obvious that the year ending March will show a considerably increased export trade over last season's high total. This trend is to be ascribed to the high prices prevailing on world markets and the tendency which has been observed in India in similar circumstances in the past for wheat to be exported and domestic demand for cereal foods to be met by cheaper substitutes.

A large part of India's wheat exports is shipped "for orders," and there are no records available as to actual destinations. The bulk of this trade, however, is for the United Kingdom market, although during recent months Germany has also purchased several cargoes.

## INDIA'S TOBACCO INDUSTRY AND TRADE

PAUL SYKES, CANADIAN TRADE COMMISSIONER

Calcutta, August 26, 1937.—India is one of the world's largest producers of tobacco and is also an important exporter of this commodity. The following brief review of domestic and foreign trade and of the expansion in consumption and manufacture of tobacco may therefore be of interest.

### TOBACCO PRODUCTION IN INDIA

Tobacco is one of the less well known of India's varied agricultural products, but the crop is one of the most valuable. It has been estimated that the area devoted to tobacco cultivation during recent years has been slightly less than 1,500,000 acres, which is some 40 per cent greater than the estimate for pre-war years. Bengal, Madras, and Bombay are the principal centres of production, accounting for over 50 per cent of the total area on which tobacco is grown in the whole country. Annual production is estimated during recent years to have amounted to 600,000 to 650,000 tons and to have reached a value of from Rs.100,000,000 to Rs.150,000,000 (\$40,000,000 to \$60,000,000 Canadian).

Most of the tobacco grown in India belongs to the species *Nicotiana tabacum*, although varieties of *N. rustica* also are grown in some parts. The Indian leaf is usually of a coarse, heavy texture; it is dark in colour and has a strong flavour. As such it is suitable for domestic requirements but is not in great demand in export markets requiring cigarette tobacco, nor in general is it adapted to use in the local cigarette industry, for which foreign tobaccos are usually imported. In recent years, however, there has been a limited production of leaf of the bright Virginia type, which has been utilized by the domestic cigarette industry and also, to some extent, has entered the export trade.

### CONSUMPTION

A large element of the Indian population is, for various reasons, not addicted to the use of tobacco. It would appear, however, that this number is becoming progressively smaller and that the habits of smoking, chewing,



and taking snuff are increasing considerably among the remainder of the people. No official statistics of consumption are available but, taking average figures for recent years of production, imports, and exports, it is estimated that the annual domestic demand is in the neighbourhood of 500,000 tons.

### EXPORTS

India's exports of tobacco have varied during recent years from 20,000,000 to 30,000,000 pounds per annum. These quantities have been made up almost entirely of unmanufactured leaf; cigars, cigarettes, and tobacco in other forms have been exported in small amounts only. The trade is based primarily on the United Kingdom market, where the dark types are used in the manufacture of pipe mixtures and twists. Indian-grown bright Virginia is used to some extent in both the cigarette and smoking tobacco trade. Indicative of the volume of this trade, the United Kingdom statistics show that in 1935 a total of 5,246,832 pounds of light-coloured leaf were imported from British India as compared with 4,829,608 pounds in 1934. Imports of dark leaf in 1935 amounted to 6,339,848 pounds as against 4,968,642 pounds in the previous year.

Aden is the second largest outlet for this trade, while the Netherlands and the Straits Settlements are each regular buyers of something over a million pounds a year. Madras is the centre of India's export business in this commodity, the types of tobacco grown in that area being better suited to foreign requirements than those produced in other parts of the country.

### IMPORTS

Imports of tobacco are comparatively small, since this business is largely dependent on the demands of the limited European population in India for Virginia cigarettes. The trade, moreover, has shown a steady decline from a total of almost 4,500,000 pounds in the fiscal year 1931-32 to slightly less than 3,000,000 pounds in 1935-36. Over 60 per cent of these imports are of unmanufactured tobacco for use in local cigarette factories, most of the balance being of manufactured cigarettes. Raw tobacco imports are chiefly Virginia grades of United States production, while the cigarettes originate almost exclusively in the United Kingdom.

### LOCAL MANUFACTURING INDUSTRY

The manufacture of cigars, cigarettes, and other tobacco products in India is in the hands of a considerable number of small Indian firms in so far as the demands of the Indian population are concerned, while one large and some smaller European companies operate factories in various parts of the country and cater to the demand for Virginia and similar types of cigarettes. There are, as well, several cigar factories, principally in Madras Presidency, which supply a part of domestic requirements and are also engaged in export business.

No statistics of the quantity or value of the production of Indian tobacco factories are available, but it has been estimated that the annual consumption of cigarettes is at present in the neighbourhood of 6,500 million. The pre-war figure was estimated at 1,000 million, and a comparison of the two will indicate the extent to which both import business and local manufacture have expanded during the last twenty years.

### GOVERNMENT ASSISTANCE TO THE INDUSTRY

As in the case of several other branches of the local agricultural industry, the Indian Government is interested in assisting in the production of qualities of tobacco superior to those which have hitherto been grown. Such efforts are

primarily designed to extend India's export trade, as well as to render it unnecessary for the country to continue to import as heavily from abroad as in the past. Experiments in the production of cigar tobacco have proved reasonably satisfactory, but those concerned with types suitable for cigarette manufacture have not met with the same degree of success. This work is being continued, however, and current policy is designed to improve present types rather than to encourage the production of new ones. As such efforts are carried forward it may be expected that India will attain a much more important place among tobacco exporting countries than she has enjoyed to date.

## ECONOMIC CONDITIONS IN BRITISH NORTH BORNEO

K. F. NOBLE, ACTING TRADE COMMISSIONER

(All values in Straits currency; S\$1 equals 58 cents Canadian at present exchange)

Singapore, August 25, 1937.—Commercially the territory of British North Borneo is of minor importance. Few imports are obtained direct from countries of origin, most requirements being drawn from stocks in Singapore and Hong-kong.

The year 1936 was one of comparative prosperity, despite the loss of export tonnage and revenue due to rubber restriction under the International Rubber Regulation Agreement. The value of imports was higher than during any year since 1930, and the year closed with the prospect of a more generous release of rubber. Substantially larger areas were planted under rice and tobacco, and exports of timber and cutch were maintained. Government revenues were the highest in seven years, while expenditure declined.

### FOREIGN TRADE

The total volume of trade during 1936 amounted to \$13,776,823, an increase of 9.6 per cent on the 1935 total of \$12,567,110. Import trade, excluding transshipment cargo and treasure, amounted to \$4,791,057, or about 1 per cent greater than the figure recorded in 1935 (\$4,748,958). Exports during the period were substantially higher, with a total, excepting transshipment cargo and treasure, of \$8,985,776, an increase of 14.9 per cent on the 1935 figure of \$7,818,152. Including transshipment trade but excluding treasure, the aggregate value of exports exceeded the value of imports by \$4,194,709, or 79 per cent; the corresponding figures for 1935 were \$3,069,194 and 60 per cent.

The principal imports were: rice, flour, grain, and paddy, \$1,068,501 (\$1,114,300 in 1935); provisions, \$575,775 (\$552,676); textiles and wearing apparels, \$518,144 (\$583,618); tobacco, \$393,169 (\$378,661); ironware, \$279,442 (\$243,807); sundries, \$277,631 (\$267,856).

The four leading exports were: estate rubber, \$4,250,571 (\$3,783,500); timber, \$2,593,480 (\$2,218,000); copra, \$510,389 (\$399,500); dried and salt fish, \$380,326 (\$341,500).

### GOVERNMENT REVENUE

Revenue for the year, excluding profits of the State Bank, amounted to \$2,868,140 as against an estimate of \$2,816,047. Expenditure was \$75,839 below the budget estimate of \$1,816,106, while the net surplus of \$1,126,287 was the highest since 1932. Revenue increases under fourteen classifications totalled \$163,682, while the decreases under the other six classifications totalled \$21,296. Total net increase, therefore, amounted to \$142,386.

Customs revenues during the year increased by \$74,041 to a total of \$1,152,384.

Note circulation increased by \$123,752.50 during the year, the total value being \$1,356,872.75 on December 31, 1936.



## RUBBER

Under the International Rubber Regulation Agreement the licensed area for rubber remained at 126,640 acres, and the quota at 14,000 tons, but the average release was 62·5 per cent as compared with 67·5 per cent during 1935. Against a total permissible export of 8,360 tons for the year, the estimated exports were 8,204 tons.

## FOREST PRODUCTS

Total timber cut from licensed areas increased about 5 per cent to 6,877,291 cubic feet, and revenue by about 10 per cent to \$211,441. Japan absorbed 60·3 per cent of the exports and Hongkong 17·4 per cent.

Shipping tonnage varied but slightly, being 428,781 net tons for 1936 as compared with 431,364 during 1935. Principal contributors to the tonnage were Great Britain, 40·7 per cent (45·4 in 1935); Japan, 22·5 (25·8); China, 19 (13·8); and Holland, 6 (5·4).

Railway revenues decreased by 3·4 per cent to \$191,416 owing to the restriction in rubber movement. Postal revenues increased by 8 per cent to \$97,600.

## TRADE COMMISSIONERS ON TOUR

The following Canadian Trade Commissioners are now on tour in the Dominion: Mr. B. C. Butler, Singapore, Straits Settlements (whose territory covers the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India); Mr. J. H. English, London, England; and Mr. F. W. Fraser, Kingston, Jamaica (whose territory covers Jamaica, Haiti, the Bahamas, and British Honduras). Their itineraries are as follows:—

## Mr. Butler

Halifax . . . . .	Oct. 4 and 5	Perth and Smith's Falls . . .	Oct. 29 and 30
Kentville, Bridgetown and Wolfville . . . . .	Oct. 6	Kingston . . . . .	Nov. 1
Saint John . . . . .	Oct. 7 to 9	Belleville . . . . .	Nov. 2
Quebec City . . . . .	Oct. 11	Peterboro, Oshawa and Whitby . . . . .	Nov. 3 and 4
Granby . . . . .	Oct. 12	Newmarket, Orillia, and Gravenhurst . . . . .	Nov. 5 and 6
Montreal and district . . . .	Oct. 13 to 28		

## Mr. English

Ottawa . . . . .	Oct. 4 to 8	Niagara Falls . . . . .	Nov. 8
Grand'Mere, Que. . . . .	Oct. 11 to 14	Hamilton and district . . .	Nov. 9 and 10
Belleville . . . . .	Oct. 15 and 16	Guelph . . . . .	Nov. 12
Toronto and district . . . . .	Oct. 18 to Nov. 6	Kitchener . . . . .	Nov. 15 and 16

## Mr. Fraser

Montreal and district . . . .	Oct. 4 to 9	Ottawa and district . . . .	Oct. 28 to Nov. 3
Winnipeg . . . . .	Oct. 11	Vancouver . . . . .	Oct. 14 to 23

Firms who wish to be brought in touch with the Trade Commissioners should communicate, for Vancouver and Winnipeg, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres with the respective Board of Trade or Chamber of Commerce.

## TARIFF CHANGES AND CUSTOMS REGULATIONS

### Irish Free State

#### EXPORT BOUNTY ON POTATOES

Mr. James Cormack, Canadian Trade Commissioner in Dublin, advises, under date September 13, 1937, that the Department of Agriculture has announced that, as from September 1, 1937, until further notice, the rate of bounty payable on exports of main crop potatoes (seed and ware) will be 17s. 6d. per ton to all countries other than the United States. No bounty is payable on exports to the United States owing to countervailing import duties.

For the same period last year the bounties were divided as follows: exports from scheduled areas, 22s. 6d. per ton; exports from other areas to Great Britain and Northern Ireland, 17s. 6d. per ton; and exports to countries other than the United States, 20s. per ton.

This year a flat rate is payable for exports from all districts to all countries other than the United States.

### Cuba

#### MINIMUM TARIFF ON CERTAIN PRODUCTS

With reference to the notice published in *Commercial Intelligence Journal* No. 1733 (April 17, 1937), page 631, Mr. C. S. Bissett, Canadian Trade Commissioner at Havana, writes under date September 20 that Decree No. 2721, officially gazetted on September 14, extends for a further six months—that is until April 2, 1938—the present minimum tariff treatment to certain “articles of necessity” whatever their origin. These articles are as follows: crude petroleum; gasolene; red, pink, and white beans; sugar bags; dried codfish; chick peas; hops and malt for the manufacture of beer; jute piece-goods; red palm and coconut oils for the manufacture of soap.

### Sweden

#### INCREASED IMPORT TAX ON WHEAT

Mr. Richard Grew, Canadian Trade Commissioner at Oslo, writes that a Swedish resolution, effective September 1, 1937, to August 31, 1938, increases the tax levied on wheat imported into Sweden for the production of flour or groats from 0.5 krona to 1.5 krona per 100 kilos or, at current exchange, from 3.5 cents to 10 cents per bushel (see *Commercial Intelligence Journal* No. 1731: April 3, 1937, page 529). The customs duty on wheat imported into Sweden is 3.5 kronor per 100 kilos (25.5 cents per bushel at current rate of exchange).

#### FLOUR-MILLING REGULATIONS

With reference to the report in *Commercial Intelligence Journal* No. 1748 (July 31, 1937), page 216, Mr. Richard Grew, Canadian Trade Commissioner at Oslo, advises under date September 10 that, in accordance with a Swedish royal resolution of August 23, the percentages of Swedish wheat which must be mixed with the imported product during the milling period September 1 to October 31, 1937, will remain unchanged at 90 in the case of the total milling percentage and at 80 in the case of the so-called minimum percentage permitted for the individual lots milled.



## FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING SEPT. 27, 1937

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, September 27, and for the week ending Monday, September 20, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Sept. 20	Nominal Quotations in Montreal Week ending Sept. 27	Official Bank Rate
Austria . . . . .	Schilling	.1407	\$ .1885	\$ .1882	3½
Belgium . . . . .	Belga	.1001	.1683	.1684	2
Bulgaria . . . . .	Lev	.0072	.0129	.0129	6
Czechoslovakia . . . . .	Krone	.0296	.0349	.0350	3
Denmark . . . . .	Krone	.2680	.2213	.2210	4
Finland . . . . .	Markka	.0252	.0219	.0219	4
France . . . . .	Franc	.0392	.0338	.0343	3½
Germany . . . . .	Reichsmark	.2382	.4011	.4012	4
Great Britain . . . . .	Pound	4.8666	4.9575	4.9519	2
Greece . . . . .	Drachma	.0130	.0091	.0091	6
Holland . . . . .	Guilder	.4020	.5520	.5528	2
*Hungary . . . . .	Pengo	.1749	.2955	.2955	4
Italy . . . . .	Lira	.0526	.0526	.0526	4½
Jugo-Slavia . . . . .	Dinar	.0176	.0231	.0231	5
Norway . . . . .	Krone	.2680	.2491	.2488	4
Poland . . . . .	Zloty	.1122	.1890	.1889	5
Portugal . . . . .	Escudo	.0442	.0449	.0447	4½
Roumania . . . . .	Leu	.0060	.0073	.0073	4½
Spain . . . . .	Peseta	.1930	.0650	.0641	5
Sweden . . . . .	Krona	.2680	.2556	.2553	2½
Switzerland . . . . .	Franc	.1930	.2296	.2296	1½
United States . . . . .	Dollar	1.0000	1.0000	1.0000	1
Mexico . . . . .	Peso	.4985	.2775	.2775	4-5
Cuba . . . . .	Peso	1.0000	.9992	.9990	—
Guadeloupe . . . . .	Franc	.0392	.0338	.0343	—
Jamaica . . . . .	Pound	4.8666	4.9675	4.9619	—
Martinique . . . . .	Franc	.0392	.0338	.0343	—
Other British West Indies	Dollar	1.0138	1.0328	1.0316	—
Argentina . . . . .	Peso (Paper)	.4245	.3305	.3300	3½
		Unofficial	.3000	.2975	—
Brazil . . . . .	Milreis (Paper)	.1196	.0643	.0638	—
British Guiana . . . . .	Dollar	1.0138	1.0328	1.0316	—
Chile . . . . .	Peso	.1217	.0517	.0517	4½
Colombia . . . . .	Peso	.9733	.5699	.5699	4
Peru . . . . .	Sol	.2800	.2600	.2600	6
Venezuela . . . . .	Bolivar	.1930	.3137	.3137	—
Uruguay . . . . .	Peso	1.0342	.7915	.7900	—
South Africa . . . . .	Pound	4.8666	4.9512	4.9450	3½
Egypt . . . . .	Pound (100 Piastres)	4.9431	5.0800	5.0700	—
China (Shanghai) . . . . .	Dollar	.....	.2965	.2974	—
Hongkong . . . . .	Dollar	.....	.3099	.3097	—
India . . . . .	Rupee	.3650	.3742	.3739	3
Japan . . . . .	Yen	.4985	.2890	.2884	2.92
Java . . . . .	Guilder	.4020	.5520	.5527	—
Siam . . . . .	Baht (Tical)	.4424	.4544	.4539	—
Straits Settlements . . . . .	Dollar	.5678	.5814	.5806	—
Australia . . . . .	Pound	4.8666	3.9660	3.9615	3
New Zealand . . . . .	Pound	4.8666	3.9980	3.9935	2
		* Unofficial:	.1975	.1975	—

The Dominion Bureau of Statistics has supplied the following note:—

Spot rates for French francs showed moderate improvement between September 20 and 23 as official support again appeared, but discounts on 90-day francs continued to increase. Further concern is being expressed regarding the belga, which recently has been below levels which make gold export profitable. On September 20 a shipment of \$7,800,000 was made from Belgium, this being the largest daily total since 1935. Purchases of silver in London by United States authorities have been related to the interruption of seasonal declines in sterling. After dropping from above \$4.99 on August 18 to less than \$4.95 in the second week of September, sterling rates subsequently have moved irregularly around the latter figure. Montreal rates on New York funds have been at par since September 11.

## TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

### Secretary, Board of Trade—

Saint John, N.B.  
Halifax, N.S.  
Quebec, P.Q.  
Montreal, P.Q.  
Toronto, Ont.

Chatham, Ont.  
Kitchener, Ont.  
Stratford, Ont.  
Woodstock, Ont.  
St. Mary's, Ont.

Portage la Prairie, Man.  
St. Boniface, Man.  
Winnipeg, Man.  
Vancouver, B.C.  
New Westminster, B.C.

### Secretary, Chamber of Commerce—

Sherbrooke, P.Q.  
Kingston, Ont.  
Oshawa, Ont.

Belleville, Ont.  
Peterborough, Ont.  
London, Ont.

Hamilton, Ont.  
Victoria, B.C.  
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

### Secretary, Canadian Manufacturers Association—

Toronto, Ont.  
Montreal, P.Q.

Winnipeg, Man.  
Edmonton, Alta.

Vancouver, B.C.  
Victoria, B.C.

The Maritime Provinces Trade Commissioner, 122 Federal Building, Toronto, Ont.

The Bureau of Provincial Information, Victoria, B.C.

**Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.**

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Miscellaneous—</b>			
Red Clover Seed.....	674	Philadelphia, Pa., U.S.A....	Purchase.
Sweet Clover Seed.....	675	Philadelphia, Pa., U.S.A....	Purchase.
Alsike Seed.....	676	Philadelphia, Pa., U.S.A....	Purchase.
Alfalfa Seed.....	677	Philadelphia, Pa., U.S.A....	Purchase.
Leaf Tobacco.....	678	Liverpool, England.....	Purchase or Agency.
Small Mill for Grinding Cornmeal	679	Montego Bay, Jamaica....	Purchase.

## PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

### From Montreal

*To Liverpool.*—Duchess of Richmond, Oct. 8; Duchess of Bedford, Oct. 15; Duchess of Atholl, Oct. 22; Duchess of York, Oct. 29—all Canadian Pacific; Andania, Cunard-White Star Line, Oct. 8.

*To London.*—Beaverburn, Oct. 8; Beaverhill, Oct. 15; Beaverford, Oct. 22; Beavertale, Oct. 29; Beaverbrae, Nov. 5—all Canadian Pacific; Alaunia, Oct. 8; Ausonia, Oct. 15; Ascania, Oct. 22—all Cunard-White Star Line; Svanefjell, Oct. 9; Tindefjell, Oct. 25; Makefjell, Nov. 5—all Fjell Line.

*To Manchester.*—Manchester Commerce, Oct. 7; Manchester Port, Oct. 14; Manchester Brigade, Oct. 21; Manchester City, Oct. 28; Manchester Citizen, Nov. 4—all Manchester Line.



*To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—Bristol City, Oct. 6; Boston City, Oct. 25—both Bristol City and Dominion Lines; Norwegian, Cunard-Donaldson and Dominion Lines, Oct. 16.

*To Glasgow.*—Sulairia, Oct. 8; Athenia, Oct. 15; Delilian, Oct. 22; Letitia, Oct. 29—all Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Cairnvalona, Oct. 6; Cairnesk (calls at Dundee), Oct. 13; Cairnglen, Oct. 20—all Cairn-Thomson Line.

*To Aberdeen and Hull.*—Gitano, Oct. 15; Kyno, Nov. 3—both Ellerman's Wilson Line.

*To Dublin and Belfast.*—Dunaff Head (does not call at Belfast), Oct. 5, Melmore Head, Oct. 7; Lurigethan, Oct. 20—all Head Line (cargo accepted for Cork).

*To Antwerp and Havre.*—Beaverburn, Oct. 8; Beaverhill, Oct. 15; Beaverville, Oct. 29—all Canadian Pacific (do not call at Havre); Svanefjell, Oct. 9; Tindefjell, Oct. 25; Makefjell, Nov. 5—all Fjell Line (do not call at Havre); Grey County, Oct. 7; Brant County, Oct. 17; Flint II, Nov. 14—all County Line.

*To Rotterdam.*—August, Oct. 9; Brant County, Oct. 18—both County Line; Svanefjell, Oct. 9; Tindefjell, Oct. 25; Makefjell, Nov. 5—all Fjell Line.

*To Hamburg and Bremen.*—Beaverford (does not call at Bremen), Canadian Pacific, Oct. 22; Chemnitz, North German Lloyd Line, Oct. 15.

*To Copenhagen, Gothenburg and Baltic Ports.*—Ragnhildsholm, Oct. 23; Vasaholm, Nov. 6—both Swedish-America-Mexico Line.

*To Marseilles, Genoa, Naples, Messina, Palermo, Lisbon and Leghorn.*—Capo Lene, Oct. 9; Capo Olmo, Oct. 30—both Capo Line.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Belle Isle, Newfoundland-Canada SS. Co., Oct. 8 and 22; Eikhaug (calls at Bay Roberts, Carbonear and Port Union but not at St. Pierre), Shaw SS. Co., Oct. 14.

*To Corner Brook, Nfld.*—North Voyageur, Oct. 4 and 18; New Northland, Oct. 11—both Clarke SS. Co.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Chomedy, Oct. 14; Cornwallis, Oct. 28—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Hamilton (Bermuda), Nassau (Bahamas), Kingston (Jamaica) and Belize (British Honduras).*—Cavelier (does not call at Hamilton or Nassau), Oct. 8; Lady Somers, Oct. 13; Cathcart (does not call at Hamilton or Nassau), Oct. 22—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad, Demerara and Paramaribo.*—A steamer, Ocean Dominion SS. Corp., Oct. 8 and 23 (calls at Guadeloupe and Martinique if sufficient cargo offered).

*To Brisbane, Sydney and Melbourne.*—A steamer (calls at Adelaide if sufficient inducement offers), Montreal-Australia-New-Zealand Line, October.

*To Sierra Leone, Walvis Bay, Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques and Beira.*—Idomeneus (does not call at Lourenco Marques or Beira), Oct. 23; Ebani (does not call at Walvis Bay), Oct. 30—both Elder-Dempster Lines Ltd.

*To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Singapore, Madras, Rangoon and Calcutta.*—City of Cardiff, Canada-India Service, Oct. 28.

*To Belawan, Deli, Penang, Port Swettenham, Singapore, Batavia, Cheribon, Samarang, Soerabaya and Macassar.*—A steamer, Java-New York-Blue Funnel Line, October.

*To Yokohama, Kobe and Osaka.*—City of Canton, Canada-Far East Line, Oct. 10.

*To Manila, Hongkong, Shanghai, and Dairen.*—Adrastus (does not call at Dairen), Blue Funnel Line, Oct. 12; City of Eastbourne, Ellerman & Bucknell SS. Co., Oct. 30.

*To Santos and Buenos Aires.*—Rena, International Freightng Corp., Oct. 18.

### From Quebec

*To Southampton.*—Empress of Britain, Canadian Pacific, Oct. 9 and 23.

### From Saint John

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Hawkins, Oct. 13; Lady Drake, Oct. 27—both Canadian National.

*To Kingston and Jamaican Outports.*—Crawford Ellis (cargo accepted for transhipment to Central and South American ports), United Fruit Co., Oct. 8 and 22.

### From Halifax

*To Liverpool.*—Manchester Producer, Oct. 14; Manchester Exporter, Nov. 1—both Manchester Line; Newfoundland, Oct. 9; Nova Scotia, Oct. 26—both Furness Line.

*To London.*—Spaandam, Oct. 5; Bilderdijk, Oct. 14—both Holland-America Line; Lehing, Oct. 13; Artigas, Oct. 27; Capulin, Nov. 10—all American Hampton Roads.

*To Manchester.*—Manchester Regiment, Oct. 3; Manchester Commerce, Oct. 10; Manchester Port, Oct. 17—all Manchester Line.

*To Newcastle and Leith.*—Cairnvalona, Oct. 9; Cairnesk, Oct. 16; Cairnglen, Oct. 23; Cairmona, Nov. 6—all Cairn-Thomson Line; Lehigh, Oct. 13; Artigas, Oct. 27; Capulin, Nov. 10—all American Hampton Roads (call at Dundee and Hull but not at Newcastle).

*To Aberdeen, Newcastle and Hull.*—Trentino, Oct. 5; Cavallo, Nov. 2—both Ellerman's Wilson Line.

*To Cardiff, Bristol and Swansea.*—Bristol City, Oct. 9; Boston City, Oct. 28—both Bristol City Line.

*To Rotterdam.*—Sparndam, Oct. 5; Bilderdijk, Oct. 14—both Holland-America Line.

*To Hamburg and Bremen.*—Lehigh, Oct. 13; Artigas, Oct. 27; Capulin, Nov. 10—all American Hampton Roads.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Fort Amherst, Oct. 4; Fort Townshend, Oct. 11—both Furness-Red Cross Line; Kongshaug, Newfoundland-Canada SS. Ltd., Oct. 4 and 18; Newfoundland, Oct. 9; Nova Scotia, Oct. 26—both Furness Line (do not call at St. Pierre); Portia (does not call at St. Pierre), Newfoundland Ry. and SS. Co., Oct. 6 and 20.

*To Kingston (Jamaica) and Belize (British Honduras).*—Cavelier, Oct. 11; Cathcart, Oct. 25—both Canadian National.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Nelson, Oct. 7; Lady Hawkins, Oct. 21; Lady Drake, Nov. 4—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer, Ocean Dominion SS. Corp., Oct. 13.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Colborne, Oct. 4; Chomedy, Oct. 18; Cornwallis, Nov. 1—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Bermuda, West Indies, and Demerara.*—A steamer, Pickford & Black, Ltd., Oct. 13.

*To Santiago (Cuba) and Kingston (Jamaica).*—Kirsten B, Pickford & Black, Oct. 6.

*To Yokohama, Kobe, Shanghai, Hongkong, Manila, Cebu and Java.*—Malayan Prince, Furness-Prince Line, Oct. 25; Silvertank, Silver Line, Nov. 7.

### From Vancouver

*To Yokohama, Kobe and Osaka.*—Hiye Maru, Oct. 14; Heian Maru, Oct. 30; Hikawa Maru, Nov. 18—all Nippon Yusen Kaisha.

*To Yokohama, Kobe, Shanghai, Hongkong and Manila.*—Empress of Russia (calls Nagasaki), Oct. 16; Empress of Japan (calls Honolulu), Oct. 30; Empress of Asia (calls Nagasaki), Nov. 13; Empress of Canada (calls Honolulu), Nov. 27—all Canadian Pacific; Ixion, Oct. 16; Talythibius, Nov. 13—both Blue Funnel Line (call at Miike but not at Manila).

*To Manila, Iloilo, Cebu, Soerabaya, Samarang, Batavia, Singapore, Port Swettenham, Belawan Deli, Colombo, Bombay and Persian Gulf Ports.*—Hoegh Silverlight, Silver-Java Pacific Line, Nov. 1.

*To Honolulu, Suva, Auckland and Sydney.*—Aorangi, Oct. 27; Niagara, Nov. 24—both Canadian-Australasian Line.

*To Melbourne and Sydney.*—Waiotapu (calls at Auckland), Oct. 8; Hauraki (calls at Papeete, Wellington, New Plymouth, Lyttelton and Dunedin), Oct. 15; Wairuna (calls at Papeete, Auckland, Napier, Wellington, Lyttelton and Dunedin), Nov. 25—all Canadian-Australasian Line.

*To London, Liverpool and Rotterdam.*—Lochkatrine (calls at Glasgow), Oct. 16; Dinteldyk, Oct. 30; Damsterdyk (calls at Glasgow), Nov. 13—all North Pacific Coast Line.

*To Antwerp, Hamburg and Bremen.*—Seattle, Oct. 17; Tacoma, Nov. 7—both Hamburg-American Line; Weser, Oct. 6; Este, Oct. 27—both North German Lloyd Line.

*To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.*—Oregon, Oct. 10; San Jose, Oct. 22—both Empire Shipping Co.

*To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.*—Fella, Oct. 27; Cellina, Nov. 24—both Empire Shipping Co.

*To Port of Spain (Trinidad) and Bridgetown (Barbados).*—King Lud, Canadian Transport Co., Oct. 30.

*To Kingston (Jamaica), Trinidad and Demerara.*—Nollington Court, Canadian Transport Co., Oct. 20.

*To Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques, Beira, Colombo, Calcutta and Madras.*—Silverwillow, Oct. 5; Siantar, Nov. 5—both Silver-Java Pacific Line.

*To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.*—Hardanger, Oct. 30; Hoyanger, Nov. 30—both Empire Shipping Co.

**Note.**—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.



# COMMERCIAL INTELLIGENCE SERVICE

**L. D. WILGRESS, Director**

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**J. A. STRONG**, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

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*Tokyo*: ACTING COMMERCIAL SECRETARY. Address for letters—P.O. Box 401, Tokyo Central Office—Canadian Legation, 16 Omotecho, 3-chome, Akasakaku, Tokyo. *Cable address, Canadian.*

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*Johannesburg*: J. L. MUTTER. Address for letters—P.O. Box 715, Johannesburg. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

### United Kingdom

*London*: FREDERIC HUDD, Chief Trade Commissioner in the United Kingdom, Canada House, Trafalgar Square, S.W.1. *Cable address, Sleighing, London.*

*London*: J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W.1. (Territory covers Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

*London*: W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C.2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—covers United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

*London*: W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W.1. *Cable address, Agrilson.*

*Liverpool*: H. R. POUSETTE, Martins Bank Building, Water Street. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

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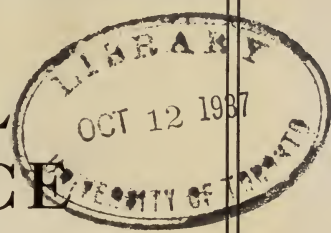
*New York City*: D. S. COLE, British Empire Building, Rockefeller Center. (Territory includes Bermuda.) *Cable address, Cantracom.*

**Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.**



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# COMMERCIAL INTELLIGENCE JOURNAL



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Ottawa, October 9, 1937

No. 1758



Unloading Quebec Spruce Flooring Strip from Canal Barges  
at the State Barge Terminal, Brooklyn, N.Y.

ISSUED BY AUTHORITY OF  
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE  
JAMES G. PARMELEE, DEPUTY MINISTER

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No. 1758

The following Canadian Trade Commissioners are now on tour in the Dominion: Mr. B. C. Butler, Singapore, Straits Settlements (whose territory covers the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India); Mr. J. H. English, London, England; and Mr. F. W. Fraser, Kingston, Jamaica (whose territory covers Jamaica, Haiti, the Bahamas, and British Honduras). Their itineraries are as follows:—

Newmarket, Orillia, and Gravenhurst . . . . .	Nov. 5 and 6
Owen Sound and Goderich . .	Nov. 8 and 9
Windsor . . . . .	Nov. 10 to 12
Tecumseh, Essex and Chatham . . . . .	Nov. 13
London . . . . .	Nov. 15 to 18

Guelph .. .. .	Nov. 12
Kitchener .. .. .	Nov. 15 and 16
Windsor .. .. .	Nov. 17
London .. .. .	Nov. 18 and 19

Vancouver . . . . . Oct. 14 to 23

Firms who wish to be brought in touch with the Trade Commissioners should communicate, for Vancouver and Winnipeg, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres with the respective Board of Trade or Chamber of Commerce.

J. L. MUTTER, CANADIAN TRADE COMMISSIONER

Johannesburg, September 6, 1937.—The fruit-canning industry is well established in the Union, and rapid development is taking place in vegetable canning. Up to the present the domestic vegetable-canning industry has concentrated largely on beans (with pork) and peas, but it is expected that South African packers will shortly be offering tinned corn and other lines. So far as fruit is concerned, overseas suppliers find it difficult to compete with South African canners of apricots, peaches, nectarines, pineapples, quinces, guavas, and pears.

For small fruits, however, such as strawberries, currants, gooseberries, raspberries, loganberries, and cherries, the field is more or less clear, as none of these fruits is produced in commercial quantities in the Union. Even in the case of these fruits, however, the demand is limited, since the consuming public, generally speaking, buys locally tinned fruit of the varieties mentioned in preference to imported tinned small fruits, which are, of course, much more expensive.

### IMPORTS

Total imports into the Union of tinned and bottled fruits have advanced steadily since the end of the depression period. In 1933 they were valued at £22,105; in 1934, at £29,170; in 1935, at £27,669; and in 1936, at £38,152. During 1936, the latest year for which detailed statistics are available, the quantity of bottled and tinned fruits imported amounted to 1,140,607 pounds. The principal suppliers, with the quantity and value credited to each, were: France, 625,716 pounds (£22,316); United States, 188,632 pounds (£6,766); United Kingdom, 108,327 pounds (£3,274); Spain, 61,268 pounds (£1,511); Greece, 50,297 pounds (£1,178); Canada, 26,263 pounds (£1,164); and Italy, 40,523 pounds (£1,002).

There was an increase also in imports of tinned vegetables other than beans and peas, values for the same years being as follows: 1933, £31,622; 1934, £42,574; 1935, £43,437; and 1936, £55,933. Imports of tinned beans and peas, which were valued at £25,380 in 1933, advanced to £38,054 in 1935, but fell off sharply to £29,913 in 1936 in consequence of the heavy customs duties imposed to assist the domestic industry engaged in the packing of these two varieties of vegetables.

The following table shows imports in 1936 of tinned vegetables from the principal sources of supply:—

#### *Imports of Tinned Vegetables in 1936*

Beans and Peas			Other Varieties		
	Lbs.	£		Lbs.	£
Total . . . . .	2,105,884	29,913	Total . . . . .	2,450,019	55,933
United States . . . . .	936,387	16,130	United States . . . . .	1,407,386	37,657
Canada . . . . .	394,050	5,169	Canada . . . . .	720,393	9,730
Belgium . . . . .	379,623	3,722	Italy . . . . .	133,125	3,287
United Kingdom . . . . .	278,088	3,538	France . . . . .	42,703	2,132

### PRICES

Tinned peaches and pears are the most popular fruit lines, and the quality of the locally canned article is excellent. The price to the trade, of the best-known brands, ranges from 10s. to 10s. 6d. per dozen 2-pound tins, and from 5s. 3d. to 6s. per dozen 1-pound tins. Apricots and fruit salad, which are also put up by local packers, are quoted at approximately 3d. per dozen less than the foregoing prices.

Locally packed jams of the peach, plum, apricot, and melon varieties are offered at from 9s. to 10s. per dozen 2-pound tins, and at 5s. to 5s. 3d. per dozen 1-pound tins. Strawberry, raspberry, blackberry, and gooseberry jams (made from imported pulp) are somewhat more expensive, selling at 13s. to 14s. per dozen 2-pound tins. The above prices are on the basis delivered Johannesburg, but as the fruit- and vegetable-canning industries are located principally in the Cape, near the deciduous fruit-growing areas, prices at coastal points for the items mentioned are considerably less. A line of tinned fruit selling in Johannesburg at 10s. per dozen 2-pound tins would sell at the coast at about 8s. 3d. or 8s. 6d. per dozen.

As previously mentioned, the vegetable-canning industry of the Union has concentrated largely on beans and peas, and the packing of peas particularly is



a very recent development. Prices applying to locally tinned peas are not available, but they are undoubtedly lower than those applying to imported packs. Import statistics would indicate that the local product has replaced the imported to the extent of 25 per cent. Baked beans packed locally are priced in Cape Town at 5s. 6d. per dozen 26-ounce tins, or 2s. 10d. per dozen 13-ounce tins. The same prices apply on tomato puree, and in each case the price delivered Johannesburg would be greater by the cost of railage between the two cities.

#### CANADIAN PRODUCTS

Generally speaking, Canadian prices on canned fruits, and on such tinned vegetables as asparagus and asparagus tips, are not competitive, but on other items are more or less in line. The general opinion of the trade is that canned foods are becoming increasingly popular in this market, but it is recognized that certain lines predominate, others having little or no sale. Asparagus, sweet corn, canned peaches and pears, and apricots to a lesser extent, are the lines mainly in demand at present. Other lines, however, such as soups, cherries, and sauerkraut, are being sold in slowly increasing volume. In bottled jams, too, Canadian sales are increasing, notably in Johannesburg and Durban. Prices for Canadian jams are higher than those of locally made jams, but the attractive packing offered by Canadian suppliers appeals strongly to the trade.

#### DISTRIBUTION

The majority of lines of canned foodstuffs sold in South Africa, both imported and domestic, are sold by manufacturers' agents resident in the principal consuming centres. These agents, who operate on a commission basis, canvass the wholesalers and large retail establishments. Goods are shipped direct to the purchasers concerned and, in the case of imported goods, on the basis sight draft attached to documents. Many of the larger retailers import direct, but a number of agents prefer to take orders only from recognized wholesalers.

Most agents handling imported lines of tinned fruits and vegetables prefer to sell "choice" grades where possible rather than "standard." In certain volume lines, however, such as sweet corn, they find it necessary to offer "standard" grades as well, in order to compete with what is known as the bazaar trade.

#### PACKING

Wooden cases are essential, two dozen 20-ounce or 30-ounce tins and four dozen 10½-ounce tins being packed in a case. Wire strapping of cases is preferable. Bottles or jars must be separated by corrugated board, with ample protective packing at the tops and bottoms of the cases.

The popular container for vegetables is the 20-ounce can, although asparagus is offered in 30-ounce and 10½-ounce tins as well. Tinned fruits sell well in 30-ounce cans, but soups and sweet corn in 10½-ounce tins are particularly popular with flat dwellers.

#### DUTIES

Irrespective of their source of origin, tinned vegetables, jams and jellies, and tinned and bottled fruits on importation into the Union are dutiable at the rates set forth in the following schedule:—

Fruits, bottled, tinned or otherwise preserved, including candied peel, but not crystallized fruits and pulp in bulk. . . . .	per pound	2½d.
Jams and jellies. . . . .	per pound	2½d.
	or ad val.	30%
which ever shall be the greater		
Peas, beans and lentils preserved as a vegetable. . . . .	per pound	2½d.
Other leguminous seeds preserved as a vegetable. . . . .	ad val.	20%
Pickles, sauces, chutneys and other condiments. . . . .	per pound	2½d.
Vegetables, tinned or otherwise preserved n.e.e. . . . .	ad val.	20%
Tomatoes, cucumbers and cabbage, tinned or otherwise preserved, including tomato pulp and puree. . . . .	per pound	2½d.

## RECENT DEVELOPMENTS IN WHOLESALE AND RETAIL TRADE

The bazaars in the principal consuming centres are steadily gaining ground, due to their ability to import direct at the lowest prices and, since their overheads are lower than those of wholesale houses, they are keen competitors in the retail trade.

Owing to increased competition from the bazaars and from small wholesale merchants who sell for cash only, the old-established wholesalers have been obliged to work on two distinct price schedules—namely, cash and credit. At one time these firms gave credit up to ninety days, and based their prices accordingly. Now, however, they are obliged to meet the competition of the small wholesaler who sells only for cash, and the two-price system appears to have enabled them to meet it very satisfactorily.

The advertising of lines of tinned fruits and vegetables is done largely through the press, or by means of demonstrations, under arrangements between the supplier, his agent, and the distributor. Most agents endeavour to have their principals contribute towards the cost of advertising campaigns. Demonstrations appear to be the most popular form, and are generally held in one or other of the principal retail stores, the practice being for the packer to pay for the demonstrator and for a suitable window display.

## MARKET PROSPECTS

Indications are that the demand for tinned fruits and vegetables will increase and will be reflected in increased imports of most lines, with the exception of tinned peas, pork and beans, tomato puree, and peaches and pears, the demand for which will be largely catered for by the domestic industry. Tinned food-stuffs of Canadian origin enjoy an excellent reputation in the South African market, and little difficulty in finding suitable agents should be encountered by Canadian exporters who are not already represented in the Union and are in a position to quote competitive prices. Apart from the question of price, careful attention should be given to advertising and attractive packaging, as these are both important factors in effecting sales in this territory.

## Southern Rhodesia

J. C. BRITTON, ASSISTANT TRADE COMMISSIONER

The market for canned fruits and vegetables in Southern Rhodesia is limited in extent. This may be attributed to the fact that the potential consumers, the European population, number less than 60,000. On the other hand, per capita consumption is fairly high. The demand, due to climatic and other conditions, is supplied largely by imports. The Union of South Africa is the chief source of canned fruits, and the United States, the United Kingdom, and Canada furnish the bulk of the canned vegetables.

## IMPORTS

The following tables list the imports of preserved vegetables, jams and jellies, and bottled and tinned fruits into Southern Rhodesia in the calendar years 1936 and 1935:—

*Preserved Vegetables*

Country of Origin	1936		1935	
	Lbs.	£	Lbs.	£
Total . . . . .	260,076	5,695	222,912	4,717
United States . . . . .	120,865	3,202	85,463	2,372
United Kingdom . . . . .	65,870	1,215	64,916	1,117
Canada . . . . .	31,326	446	27,572	394
Belgium . . . . .	22,036	325	22,205	288
Union of South Africa . . . . .	11,546	195	14,521	188
France . . . . .	2,540	177	2,981	163



*Jams and Jellies*

	1936		1935	
	Lbs.	£	Lbs.	£
Total .. . . .	581,948	12,148	832,862	16,807
Union of South Africa .. . . .	505,433	10,413	769,389	15,255
United Kingdom .. . . .	74,990	1,672	62,436	1,498

*Bottled and Tinned Fruit*

	1936		1935	
	Lbs.	£	Lbs.	£
Total .. . . .	553,732	11,665	566,702	11,585
Union of South Africa .. . . .	391,936	7,611	448,788	8,187
United States .. . . .	48,531	1,331	39,354	1,032
United Kingdom .. . . .	29,439	958	38,944	1,174
Australia .. . . .	41,231	526	923	20
France .. . . .	13,533	521	15,913	542
Greece .. . . .	8,347	241	6,072	201
Canada .. . . .	7,479	149	3,127	66

## MARKET REQUIREMENTS

The chief demand in imported canned vegetables is for peas, beans, sweet corn, and tinned soups. Luxury lines, such as tinned asparagus, have not a wide sale. Tinned peas from the Continent formerly controlled the market, but these have been displaced by United Kingdom, Canadian, and United States products. The most popular packs for canned peas are the 11-ounce, 20-ounce, and 30-ounce sizes. Despite the fact that Canadian tinned vegetables enjoy a slight preference over those from the United States, agents have found difficulty in meeting prices quoted for the latter.

As indicated by the import statistics, the Union of South Africa furnishes the bulk of the canned fruits imported, the quality of which is considered equal to that from any other source. In addition, the prices quoted are lower than for those from either the United Kingdom or Canada. (For information concerning prices see the preceding report on the market for canned fruits and vegetables in the Union of South Africa.)

## PACKING

Various buyers have commented on the heavy case used for packing both canned fruits and vegetables for shipment to the Rhodesian market. The inland freight from Beira to interior towns is considerable, and a reduction in the weight of the package, provided sufficient protection is afforded the contents, would meet with the general approval of merchants.

## DUTIES

When imported into Southern Rhodesia, canned fruits and vegetables are dutiable at the rates shown hereunder:—

Fruits, bottled, tinned or otherwise preserved except crystallized fruits, but not including pulp and candied peel	Duty A	Duty B	Duty C
per pound	2½d.	2½d.	2d.
Jams, jellies and honey; pudding, cake and jelly powders .. . . . per pound	3½d.	3d.	3d.
	or 25%		
	ad valorem whichever duty shall be the greater		
Tinned peas .. . . . ad valorem	20%	15%	10%
Vegetables, tinned or otherwise preserved			
ad valorem	20%	10%	10%

The rates outlined under "Duty C" apply to canned fruits and vegetables imported into Southern Rhodesia from Canada. Goods originating in foreign countries are dutiable under "Duty A," while the duties listed under "Duty B" apply to goods from British dominions (other than Canada), colonies, and territories.

## ECONOMIC CONDITIONS IN THE NORTH OF ENGLAND

H. R. POUSSETTE, CANADIAN TRADE COMMISSIONER

Liverpool, September 20, 1937.—Conditions remain generally satisfactory in the North of England, except for one or two areas which have only partially benefited by the returning tide of prosperity.

Lancashire has substantially recovered from its previous low level. According to reports of the Lancashire Industrial Development Council, a number of new industries have been established, to accommodate which old cotton mills have in some instances been acquired. One of these industries, owned by an Anglo-Austrian syndicate, manufactures rayon crepe by a special process; another makes silk dress materials; while a third, a French firm, will produce silk plushes and velvets. The list also includes two chemical enterprises and a leather goods manufacturing concern.

### COTTON

As an indication of better conditions in the cotton industry, the spinning mills at the end of forty-eight weeks of the present season had consumed 2,876,000 bales as compared with 2,598,000 bales in the same period of last year. A further confirmation is the fact that there were 27,308 more employees in the cotton industry during June than in the same month of 1936. Exports of cotton yarns and manufactures during the first half of 1937 recorded an increase of £7,700,000 over the figures for the first six months of last year.

### IRON AND STEEL

There has been little change in the condition of the iron and steel trades in the Sheffield area. It is reported that order books are filled, making the problem of deliveries a somewhat serious one. All the mills are producing to capacity, despite the scarcity of certain raw materials.

### LIGHTER TRADES

Conditions in the general engineering trades are satisfactory. The majority of firms have full order books and prospects for the future are excellent. As a result of the activity in the iron and steel trades there has been a shortage of skilled labour, so that it has been found necessary to recall artisans who had retired. Export trade is very satisfactory.

### TOOLS AND AGRICULTURAL IMPLEMENTS

Activity at Sheffield is reflected in export trade returns. Production of shovels and spades, forks and scythes, files and rasps, saws and saw blades, carpenters' and engineers' tools, and those of other description, shows satisfactory increases over last year, and, with the exception of files and rasps, over 1935. Conditions in the cutlery and plate trade have been well maintained. The demand for all grades of industrial tools is strong, but export trade has been dull.

### SHIPPING

The shipping industry is enjoying extremely favourable conditions. Freight rates have been steadily rising, and there is practically no unemployed tonnage. According to the last quarterly report of the Chamber of Shipping, there were only forty-seven vessels of 61,225 tons net laid up on July 1 as compared with seventy-seven of 90,345 tons net on April 1 and 200 of 502,219 tons on July 1, 1936.



### SHIPBUILDING

Shipbuilding is enjoying extremely favourable conditions. While shipyards on the Tyne, Barrow-in-Furness, and the Mersey continue to be well employed, the increase in the cost of shipbuilding may have some influence upon the industry.

### TIMBER

The timber industry has enjoyed a period of great activity in which Canada has substantially participated. Although some 12,000,000 people, or about 30 per cent of the population of England and Wales, have exchanged old and out-of-date homes for new ones, there is still a very large number lacking modern accommodation. Some figures recently published show that since 1919 nearly 3,500,000 houses have been built, and during the year ending March 31 last there were 346,000 new houses constructed as compared with 325,000 in the previous year and 329,000 in 1934-35. Four out of every five houses were built by private enterprise, local authorities being responsible for the remainder.

The rise in ocean freights may have an effect on shipments of timber from Canada to the United Kingdom, since the cost of transport is now out of proportion to the f.o.b. value of the wood.

### NEW ZEALAND PIG INDUSTRY

R. P. BOWER, ASSISTANT TRADE COMMISSIONER

Auckland, September 3, 1937.—Pig raising is invariably associated with dairying or cereal farming, since it provides a profitable means of disposing of waste feeds from these industries. The number of pigs in New Zealand is surprisingly small in relation to the number of dairy cattle, latest statistics indicating only 41 pigs per 100 dairy cattle. This compares with 100 for Canada, 166 for the United States, 178 for Denmark, and 230 for Germany. Nevertheless, the industry has made rapid progress in recent years. In the four years ended 1935, exports of pork products from the Dominion quadrupled, while the number of pigs increased by 70 per cent.

Only recently have many farmers come to realize that pig-raising affords a source of income worthy of special attention. In the dairying districts there is an abundance of skim-milk and whey, providing a basic diet for pigs. Pig-raising is carried on chiefly in the dairying areas of the North Island and the cereal belt of the South Island. Since these districts are widely separated and it is seldom economical to transport feed from one district to the other, it is often difficult to obtain a properly balanced pig diet.

### GOVERNMENT ASSISTANCE TO THE INDUSTRY

The Government realized some time ago that with proper management and attention the industry could be made much more valuable, and the Pig Industry Research Committee of the Council of Scientific and Industrial Research conducted exhaustive studies of feeding and breeding practices with the object of improving existing methods. In 1928 pig-recording investigations were started with the financial assistance of the Government. In August, 1936, a system of national sow recording for pure-bred stock was introduced. The service collects litter weights at three weeks and at eight weeks, with the object of discovering the prolific strains of pigs and identifying them in such a way that purchasers will be able to secure pedigreed animals of established performance. A fee of approximately \$1 per sow is charged, the work of inspection and weighing

being carried out by field officers of the Live Stock Division of the Department of Agriculture.

In May, 1937, a levy of approximately 4 cents was imposed on each pig slaughtered, the proceeds to be used for disseminating information on approved pig-breeding practices. The fund is administered by a National Pig Industry Council composed of representatives of all sections of the pig industry—producers, breeders, exporters, bacon curers, and research organizations. The council plans to set up district organizations in a number of centres, and to pay over to these organizations certain amounts from the general fund. Each district organization will employ a supervisor and clerical staff and will undertake instruction and investigation in the district where it is located. District councils will be composed of delegates from local pig clubs. These are local branch organizations, and their representation on the councils ensures that those who provide the levy will have a voice, through the national and district councils, in deciding how the money will be spent. The pig clubs, and their connection with the district councils, are patterned after similar organizations in Denmark.

### HERD IMPROVEMENT

Considerable emphasis is placed by the authorities on the breeds being raised. The evolution of different breeds of pigs has been very rapid, as is evident by comparing the present domestic animals with the wild type in New Zealand. New Zealand breeders favour the following characteristics: (a) an animal adapted to the climate and feed supplies available; (2) a rapidly maturing breed or one that is economical of feedstuffs; (3) a breed with good constitution, disease resistant, and having a body conformity suited to the production of hams and bacon for marketing purposes.

Recent statistics are not available on the numbers of the various breeds in the country. Of the pure-breds, the Berkshire is probably the most important, accounting for approximately 15 per cent of the stock. Yorkshire, Tamworth, and Large Whites are also plentiful. Tamworth-Berkshire cross is quite suitable, while the Devon-Berkshire cross has a high reputation in meeting the requirements of both the domestic and export markets.

### IMPORTS

There have been imports from time to time with the object of improving the local strains. In certain of these importations the Government has had an interest, while others have been undertaken by private breeders or by brokers operating on a commission basis. During the twelve-year period ended December 31, 1935, a total of 235 animals were imported, of which 68 came from Canada. The bulk of the remainder originated in Australia. The total value of importations during that period was \$21,500, of which approximately \$5,400 is credited to Canada.

Canadian animals have done exceptionally well in New Zealand, and are favoured by breeders. Owing to high shipping costs imports have been restricted. Interest in Canadian animals has been maintained, however, through donations of trophies by brokers and interested breeders for the best Canadian-type animals shown at various fairs. Animals must have a certain percentage of Canadian blood in order to qualify for these prizes. The paucity of imports from Canada in recent years, however, has made it obligatory to reduce the Canadian blood content for qualifying animals.

Importers and breeders are desirous of obtaining additional stock from Canada, but are demanding a fresh strain; they require pigs unrelated to any of those shipped in previous years. The demand for imported pigs varies from year to year—from Tamworth to Berkshire and to Large Whites—and it is



unlikely that breeders would consider any of the Willow-Lodge-Baron or Ottawa Model strain because of the large numbers of these types that are already in the country.

#### SHIPPING SEASONS

Since the extremes of temperature between Canada and the equator are least in August, this month is the most suitable for shipments from the Dominion. Animals should be four to six months old when shipped, and every care should be taken to avoid sending barren sows. Previous shipments have been in over-size crates, to allow for the growth of the pigs between date of shipment and date of release from quarantine in New Zealand. Freight being payable on a measurement basis, it has been suggested that crates be designed so that they will nest. The pigs could thus be quartered in one pen after embarking, the crates being nested to save space. Local buyers are of the opinion that charges would be less than for shipping each animal in an individual crate as formerly.

After arrival in New Zealand, pigs are kept in quarantine for forty days, charges for that period being two shillings (40 cents) per day. These charges, added to the high freights and attendance fees en route, render it difficult for importers to pay more than \$45 per pig in Canada and meet local competition.

#### IMPORT REGULATIONS

Pigs may be imported from Canada under permit of the Minister of Agriculture, subject to the following conditions:—

(1) Every application for such permit shall be made in sufficient time to allow of inquiry being made in Canada before such permit is given, and shall give full particulars of the number, breed, and sex of the swine intended to be introduced, of the proposed date (approximate) of shipment, and of the name and address of the occupier of the farm, and the locality of the farm itself, from which they are to be obtained.

(2) Every shipment of such swine must be accompanied by a statutory declaration made by the shipper of such swine, setting forth the breed, number, sex, and brands or marks (if any) of such swine, and declaring that all such swine have been in Canada from birth; that they are at the time of shipment, and have been during the preceding six months, free from all infectious and contagious diseases; and that they have not during the six months immediately preceding shipment been in direct contact with any stock infected with any such disease.

(3) On every such declaration there shall be inscribed a certificate signed by a veterinarian practising in the district in which such swine have been domiciled for the six months immediately preceding the date of their shipment to New Zealand, or from which they start for the port of shipment, certifying that he has, within the fourteen days immediately preceding the date of shipment to New Zealand, examined such swine and has found them free from infectious and contagious diseases.

(4) The declaration and the certificate provided for in the last preceding regulation must be delivered to the veterinarian appointed to examine at the port of shipment swine intended for introduction into the Dominion of New Zealand. Upon arrival in New Zealand the swine shall undergo at a quarantine ground a period of forty days' quarantine.

#### FROZEN AND CHILLED PORK

On January 1, 1936, the number of pigs in New Zealand was estimated at 808,000. This is about 50 per cent of the number in Holland at the same time, and about 25 per cent of the Danish figure. In spite of this relatively small number, New Zealand has long been the most important individual supplier of frozen and chilled pork to the United Kingdom market.

In 1935 the principal suppliers to the United Kingdom were as follows:—

	Cwt.	Per Cent of Total
New Zealand .. . . .	490,327	53.6
Argentina .. . . .	186,841	20.4
Australia .. . . .	146,732	16.0
United States .. . . .	77,079	8.4
Other countries .. . . .	14,240	1.6
	<hr/> 915,219	<hr/> 100.0

In the same year meat-freezing and preserving works slaughtered 609,000 pigs to produce 492,792 cwts. of frozen pork, 99 per cent of which was destined for export to the United Kingdom.

### BACON

In international trade, however, exports of bacon far exceed those of other pork products, the United Kingdom absorbing the bulk of the exports of other countries. In 1935 bacon formed 80 per cent of all pork products imported into the United Kingdom, and of the aggregate supplies imported, amounting to 346,000 tons, 55 per cent came from Denmark; Canada, Holland, the Irish Free State, and other countries supplied the balance. To date, New Zealand shipments of bacon have been negligible.

Throughout the 1934-35 season there were forty-three establishments in New Zealand engaged in ham and bacon curing. These slaughtered 540,000 animals and produced ham and bacon valued at \$2,707,776. Except for small shipments to certain of the Pacific islands, particularly Fiji, all the bacon and ham produced was consumed locally.

### MARKET PROSPECTS

There are a number of New Zealand breeders interested in further importations from Canada. Interested Canadian individuals or firms are invited to communicate with the Canadian Trade Commissioner, Auckland, New Zealand, as early as possible, so that all preliminary arrangements may be made in ample time to permit of shipment being made in August, 1938.

## MARKET FOR POTATOES IN HONGKONG

V. E. DUCLOS, CANADIAN TRADE COMMISSIONER

(HK\$1 equals 30½ cents Canadian; 15 piculs equal 1 ton)

Hongkong, September 11, 1937.—There is an extensive market in Hongkong and South China for potatoes, which are becoming an increasingly important item in the diet of the Chinese population.

During 1936 imports amounted to 120,388 piculs valued at \$407,541 as compared with 127,300 piculs valued at \$296,371 for the preceding year. For the first six months of 1937 a total of 56,703 piculs worth \$198,906 were recorded.

On the basis of the following table, showing imports from the principal supplying countries for the first six months of 1937 and the years 1935 and 1936, the yearly trade in this product is estimated to be in the neighbourhood of 8,000 tons.

### *Imports of Potatoes into Hongkong*

	1937		1936		1935	
	Piculs	HK\$	Piculs	HK\$	Piculs	HK\$
Total . . . . .	56,703	198,906	120,388	407,541	127,300	296,731
Japan . . . . .	38,535	129,310	77,157	255,516	88,918	197,088
South China . . . . .	10,252	42,695	4,603	23,506	3,935	13,640
Middle China . . . . .	6,965	23,655	18,703	72,592	16,265	38,878
North China . . . . .	894	2,714	19,726	53,808	17,516	43,428
Canada . . . . .	45	390	.....	.....	240	898
United States . . . . .	12	142	151	1,941	331	2,420

### SOURCES OF SUPPLY

The foregoing statistics show that approximately 65 per cent of the trade is controlled by Japan, due to the abundant supplies at low prices which are available from Korea and the island of Hokkaido. It was not until 1934 that



supplies from this latter source became an important factor in the trade, when Japan's share of imports exceeded the combined figures for shipments from that country during the previous three years.

Middle China, North China, and South China are the only other important contributors, although under exceptional circumstances supplies are drawn from other countries.

Domestic supplies are available from the New Territories (i.e. lands leased from China under the Agreement of 1899 and under the jurisdiction of the Hongkong Government) but the volume available from this source is negligible and has little or no influence on the market.

#### IMPORTS FROM CANADA

No appreciable quantities of Canadian potatoes have been imported into Hongkong since 1932, when, as a result of the disturbed conditions prevailing in North China, approximately 830 tons were shipped from Canada. Under normal conditions shipments from Canada have been confined to small lots of a few tons, and these have never amounted to more than 200 tons in any one year. Canadian exporters have been handicapped in catering to this market by the unattractive prices.

Owing to the present disturbed conditions in North and Central China and the likelihood of a curtailment of shipments from these territories and from Japan, Canadian potato exporters may be afforded an opportunity within the next few months of participating in the Hongkong market.

#### SHIPPING SEASONS

The only accurate indication of the seasonal movements of potatoes into the colony are the statistical returns issued by the Hongkong Government. The year 1936, being the latest for which completed figures are available, has been used as the basis for the following table, which gives the monthly quantities imported from Japan, Middle China, North China, and South China:—

#### *Imports of Potatoes into Hongkong by Months in 1936*

	(In piculs)			
	Japan	Middle China	North China	South China
January . . . . .	5,073	1,287	60	450
February . . . . .	5,870	1,570	161	765
March . . . . .	1,177	3,524	....	1,669
April . . . . .	1,652	5,421	....	920
May . . . . .	1,000	5,393	685	357
June . . . . .	5,544	1,434	3,176	128
July . . . . .	3,298	8	4,971	....
August . . . . .	6,595	....	4,365	....
September . . . . .	8,235	17	4,903	....
October . . . . .	12,985	....	772	....
November . . . . .	15,693	....	628	....
December . . . . .	10,035	49	5	314

From the monthly trend of imports from Japan it would appear that the commencement and duration of the shipping season almost coincides with that of Canada. Under normal conditions, therefore, Canadian prices must be competitive with those from Japan if business is to be secured.

#### GRADES AND PRICES

In the case of shipments from Japan, Middle China, North China, and South China, no specific grades are stipulated, and dealers purchase from importers against examination of shipments as they arrive. Sales of Canadian potatoes in the past have been confined to "No. 2 or Better."

British Columbia potatoes of the 1937 crop, graded "No. 2 or Better," are being quoted for shipment during September at Can.\$34.50 c.i.f. Hongkong per ton of 2,000 pounds as against a prevailing market price for Japanese and North China supplies of from Can.\$18 to Can.\$20.

#### PACKING

Shipments from Japan, North China, and Middle China are packed in bags or crates of 100 pounds; those from South China arrive in baskets of from 300 to 500 pounds.

Standard Canadian packing in bags of 100 pounds is acceptable to the local market.

#### TERMS

The matter of terms is usually subject to arrangement between shipper and importer, but local firms are generally willing to open letters of credit covering shipments from Canada.

#### DOCUMENTATION AND DUTY

Ordinary commercial invoices together with a certificate of inspection issued by the Department of Agriculture are the only documents required when making shipments of potatoes from Canada to Hongkong.

Being a free port, there is no duty on potatoes entering the colony.

### UNITED STATES MARKET FOR CANADIAN FROZEN FRUITS

D. S. COLE, CANADIAN TRADE COMMISSIONER

New York, September 24, 1937.—The use of frozen fruits in the United States has become extensive only within recent years. In addition to fruit, quick-freezing methods have been extended in the United States to vegetables and meats, while the market possibilities have widened to include institutions, hotels, restaurants, and the retail trade, in addition to manufacturing consumers.

Fruit taken directly from the fields, properly packed and immediately frozen, is of consistently good quality and is considered by many processors to be superior to the products obtained in the fresh fruit markets, especially where, on account of long distances from the fields and consequent delays in delivery, an absolutely fresh product is not obtainable. For this reason cold-pack fruits are used by many pie bakers and ice-cream manufacturers during the fresh fruit season instead of the 'fresh product, particularly in the early part of the season when prices are high.

Canada's participation in this trade has never been extensive, but it is possible that sales of frozen fruit to the United States could be considerably increased if this method of preparation were given greater attention by Canadian firms.

#### FROZEN-PACK FRUIT CONSUMPTION IN THE UNITED STATES

The importance of cold-pack fruits in the United States is indicated by the following figures showing the consumption of the various varieties in 1935: strawberries, 42,910,000 pounds; red sour cherries, 16,000,000; red raspberries, 8,972,000; blackberries, 5,690,000; blueberries, 5,100,000; loganberries, 2,608,000; peaches, 1,300,000; black raspberries, 1,107,000 pounds.

Taking into account an additional 1,500,000 pounds of miscellaneous fruits cold-packed in the Northwest and an undetermined amount of those other than strawberries, peaches, and cherries in the East, a total consumption of approximately 86,000,000 pounds is indicated.



### IMPORTS FROM CANADA

The following tables show imports of frozen fruits into the United States for the calendar years 1935 and 1936, as supplied by the United States Department of Commerce. It will be noted that, although Canada supplies a small quantity of frozen lingonberries and strawberries to this market, the bulk of the imports from the Dominion consists of frozen blueberries.

#### Imports of Frozen Blueberries

Country	1936		1935	
	Pounds	\$	Pounds	\$
Canada . . . . .	2,122,044	116,160	1,345,007	63,193
Other countries . . . . .	4,037,827	202,501	3,777,672	171,423
Total . . . . .	6,159,871	318,661	5,122,679	234,616

#### Imports of Other Frozen Berries

(Including Lingonberries and Strawberries)

Country	1936		1935	
	Pounds	\$	Pounds	\$
Canada . . . . .	7,263	585	14,533	1,001
Other countries . . . . .	7,396	268	144,885	6,397
Total . . . . .	14,659	853	159,418	7,398

### CLASSIFICATIONS OF PACKS

For shipments to the United States market four general classes of packing are in use, as follows:—

*Barrel Pack.*—In this method 50-gallon barrels and a comparatively small number of 30-gallon barrels and kegs are used. Shipments are mainly to preservers and ice-cream manufacturers.

*Bulk Pack.*—This is a general term applied to fruits packed without sugar in various sizes and kinds of containers suitable for a dry pack. There are three general types: crate-frozen strawberries and other fruits, practically all used for pies; “single-frozen” berries now being packed in the Northwest, presumably for pies; 30-pound wooden lugs containing frozen blueberries, imported from Canada and used for pies.

*Intermediate or Tin Pack.*—This comprises tins of from 30 pounds down to 2½ pounds; fibre and paper containers are also used. This pack is purchased by the institutional trade and by small processors, to a slight extent by preservers, in larger amounts by ice-cream manufacturers, and quite generally by pie bakers.

*Retail Pack.*—This is made up of small packages containing approximately 1 pound or less for home consumption. Paper cartons, cups, tins, and various other containers are used.

### MARKET REQUIREMENTS

#### BLUEBERRIES

There is a heavy demand and a very good market in the eastern states for frozen blueberries from Canada and Newfoundland, packed straight (without sugar) in 30-pound wooden lugs, paper lined, and in 15-pound tubs packed four to the crate. Supplies come principally from Nova Scotia, in competition with domestic supplies from Maine, Massachusetts, and Pennsylvania.

In August last prices for Canadian, Newfoundland, and Maine blueberries were approximately 10½ cents delivered Eastern United States, although generally Newfoundland and sometimes Canadian supplies command ¼ cent to ½ cent premium owing to superior quality.

As pie bakers employ formulae that specify 30-, 60-, and 90-pound lots of various ingredients, they prefer frozen berries packed in 30-pound boxes. Quality is based on size, good colour, and freedom from extraneous material.

#### LINGONBERRIES

Imports of lingonberries or fox berries into the United States are limited. There are no official figures available, but traders estimate total consumption at between 5,000 to 10,000 barrels of fresh and frozen fruit. The trade is distributed mostly between New York and Chicago, with relatively small shipments to Boston and the Pacific Coast. Newfoundland is the chief shipper to this market; Canada supplies occasional small quantities.

As a rule the price of lingonberries on the New York market averages about 2 cents or less per pound than blueberries.

#### STRAWBERRIES

As stated earlier in this report, the sale of frozen strawberries in the United States is extensive. There have been some small shipments from British Columbia and Eastern Canada of a 3-plus-1 pack in barrels of 450 pounds each. The duty on strawberries amounts to 35 per cent, with a freight rate from Eastern Canada amounting to about one-half cent per pound to the New York market and approximately  $1\frac{1}{2}$  cent per pound from British Columbia. The bulk of the Eastern United States market is supplied from Virginia and the Carolinas, quotations in September being  $10\frac{1}{2}$  to  $11\frac{1}{2}$  cents per pound f.o.r. Norfolk, Virginia. Other supplies were quoted at 12 cents f.o.r. Philadelphia and  $11\frac{1}{2}$  cents to 12 cents delivered New York.

United States Northwestern berries are now being offered in a 2-plus-1 pack in barrels at about  $10\frac{1}{2}$  cents f.o.b. Pacific Coast, to which must be added  $1\frac{1}{2}$  cent for insurance, freight, icing, and salting, making the price about 12 cents c.i.f. New York.

To be competitive on this market, berries from British Columbia must be quoted at about 7 cents and not over 8 cents per pound f.o.b. Vancouver. There are, of course, considerable quantities of fresh berries shipped across the British Columbia border to Washington for cold-packing.

#### HUCKLEBERRIES

United States supplies of this variety have been rather light, and importers are interested in Canadian supplies on account of their uniformity in size and colour. This fruit is shipped in 30-pound cans with a quick freeze. Prices are  $9\frac{1}{2}$  cents delivered Philadelphia for Pennsylvania berries, straight pack, which amounts to 10 cents delivered New York. Canadian huckleberries are considered to be superior to the United States product.

#### BLACKBERRIES

The New York market has been weak, the main buying not having been completed as yet. Quotations for United States Northwestern supplies in barrels of 360 to 400 pounds net have been about  $6\frac{1}{2}$  cents per pound compared with last year's prices of  $5\frac{1}{4}$  cents to  $5\frac{1}{2}$  cents.

#### RASPBERRIES

Despite the fact that United States supplies are nearly sold out, there is still a good demand for frozen raspberries. Northwestern supplies on a barrel basis are selling at from 12 to  $12\frac{1}{2}$  cents f.o.b. Pacific Coast, to which  $1\frac{1}{2}$  cent must be added to make the price delivered New York. These prices are for



straight-pack Cuthberts, but mixed raspberries can be purchased at around 11 cents.

Frozen raspberries from Scotland were shipped to New York recently and sold at 11 cents delivered this city.

#### CHERRIES

Large quantities of red sour frozen pitted cherries are available in New York State owing to a 28,000,000-pound crop this year against 14,000,000 pounds last year.

Prices have ranged from 6½ cents to 7½ cents per pound in barrels; 30-pound tins are selling at between 7 and 8 cents f.o.b. New York State. Provided Canadian supplies can compete with the above prices, delivered New York, there is a fair market opportunity.

#### UNITED STATES TARIFFS

The duty on frozen blueberries was reduced by the terms of the Canada-United States trade agreement from 35 per cent to 25 per cent ad valorem. The duties on other frozen berries are 35 per cent ad valorem. Frozen cherries are dutiable at 9½ cents per pound plus 20 per cent ad valorem.

### DAIRY PRODUCTS SITUATION IN GERMANY

J. C. MACGILLIVRAY, CANADIAN TRADE COMMISSIONER

(One metric ton equals 2,204 pounds; one kilogram equals 2.2 pounds;  
R.M.1 equals \$0.40)

Hamburg, September 15, 1937.—With a population in excess of 67,105,000, Germany is one of the world's leading consumers of dairy products, and is also an important producer. According to the latest census, the number of milch cows in the country is 9,950,000, with a milk output of roughly 24,000,000 metric tons.

On account of high domestic consumption, Germany has no export surplus of dairy products. In volume of imports, however, the country ranks second to the United Kingdom, and in domestic production after the United States. Nevertheless the German authorities have during the past two years been confronted with the problem of obtaining a sufficient supply of certain dairy products, such as butter, to meet the needs of a growing population whose purchasing power and consequent per capita consumption is increasing. A shortage of funds to pay for additional quantities from abroad has limited imports and, as a result, considerable attention has been given to the rationalization of the local industry, with a view to organization on the most efficient basis as regards production and distribution.

Apart from the steps which have been taken along these lines, there have been no important developments in the German dairying industry other than those of a technical or scientific nature. The products of the German dairy industry do not compete with those of Canada in other markets and, owing to the currency situation, coupled with the geographic proximity of such important producers as the Netherlands and Denmark, the possibility of developing an export outlet for Canadian products in this country is very remote.

It is considered, therefore, that any extensive or lasting increases can only be secured by careful attention to feeding and by increasing the individual output by scientific breeding methods. It is realized that decisive success by these methods cannot be attained immediately, but only after several years of experimentation.

The appended table shows Germany's relative position in 1936 among the principal world producers and consumers of dairy products:—

	Production	Imports	Exports	Consumption
	Thousands of Metric Tons			
United States . . . . .	1,020	10	...	1,030
Germany . . . . .	460	75	...	535
United Kingdom . . . . .	33	487	...	520
Denmark . . . . .	190	...	138	52
Netherlands . . . . .	85	...	47	38
New Zealand . . . . .	160	...	142	18
Australia . . . . .	170	...	116	54
Cheese—				
United States . . . . .	226	22	...	288
Germany . . . . .	135	27	...	162
United Kingdom . . . . .	28	132	...	160
Netherlands . . . . .	120	...	61	59
New Zealand . . . . .	90	...	85	5
Canada . . . . .	55	...	25	30
Preserved milk—				
United States . . . . .	1,105	...	...	1,105
Germany . . . . .	72	1	...	73
United Kingdom . . . . .	20	100	...	120

### GERMANY'S POSITION IN THE DAIRY INDUSTRY

The German dairy industry supplies some 86 per cent of the country's butter requirements, about 84 per cent as regards cheese, and 98 per cent of the preserved milk needs. In spite of this high proportion of domestic production as compared with total consumption, imports are important, although over a period of ten years they have declined by approximately 50 per cent. This falling-off is perhaps the best gauge of the development of Germany's milk trade, especially when it is considered that total requirements have not decreased, but have, particularly as regards butter, become much greater.

The increase in output must be attributed to a more scientific and intensive development of the domestic milk industry. The rate of increase in milk production in Germany has been neither slower nor more rapid than in most other European countries where, as regards the central and northern parts of the continent, the main principles underlying production are the same, depending as they do on the predominance of the small farmer and on the supply of fodder as determined by climatic conditions.

In Germany, therefore, a material increase in the number of milch cows and a consequent increase in milk production can never be counted upon.

### DOMESTIC INDUSTRY

A review of the German dairy industry during recent years indicates a slight to moderate increase in nearly all its branches. These include the number of milch cows, milk yield, butter and cheese production, and imports. In the case of butter production there has been a noteworthy decline in the manufacture of farm butter and a corresponding increase in factory production.

The subjoined table summarizes the dairy products situation in Germany in 1936; comparative figures for 1932, which was prior to the present intensive control of the industry, are also given:—

	1932	1936
Milch cows . . . . .	9,800	9,950
Milk yield . . . . .	23,500	23,800
Dairy deliveries . . . . .	9,600	14,100
Butter production . . . . .	415,000	460,000
Dairy butter . . . . .	225,000	385,000
Farm butter . . . . .	190,000	75,000
Cheese production (rennet) . . . . .	118,000	135,000
Condensed milk production . . . . .	60,000	65,000
Milk powder production . . . . .	10,000	17,000
Milk and cream for drinking, etc. . . . .	8,000	8,200
Butter consumption . . . . .	485,000	535,000
Imported butter . . . . .	70,000	75,000
Cheese consumption (rennet) . . . . .	163,000	162,000
Imported cheese . . . . .	45,000	25,000



From the foregoing table it is apparent that milk production in Germany has increased very little during the past four years, and yet butter production is up some 10 per cent. This is not due to a greater volume of raw material, but to the reorganization of the industry, to which reference has already been made, including the switch-over of production from farm to factory and the compulsory deliveries of milk.

The fact that the milk yield has not been increased to a greater extent is due largely to a change in feeding methods. The oilcake supply, which in 1932 was in excess of 2,400,000 metric tons, was reduced from 1933 to 1936 to about 1,200,000 tons, a decline of 50 per cent. This sharp contraction resulted from the use of home-produced feedstuffs in place of the imported cakes and a lessened cake production because of a greater oil extraction from the imported oil seeds.

As the milk yield from a practically unaltered number of milch cows has remained practically unchanged despite the drastic contraction in oilcake supply, it can be assumed that substitute fodders have proven satisfactory. No exact data are available in this connection, but in German agricultural circles the opinion is expressed that too much emphasis has heretofore been laid on the value of oilcake as a milk producer.

While the above table indicates a substantial increase in butter production between 1932 and 1936, the change is much more marked over a ten-year period. In 1927, for instance, production was only 375,000 tons with imports of 98,000 tons. The consumption in 1927 was, therefore, only 473,000 tons as against 535,000 tons in 1936. Cheese production in 1927 totalled 110,000 tons, with imports of 72,000 tons.

#### ORGANIZATION OF INDUSTRY

In common with all other important branches of the foodstuffs trade, the German dairy industry is subject to a high degree of government control and regulation based on the Milk Law of July 31, 1930, as amended on July 20, 1933. On September 13, 1933, additional legislation was passed creating the Reichsnährstand (Agricultural Estate), which brought in further regulations and from which evolved the Central Association of the German Milk Industry. This association controls the trade in milk and milk products through regional, district, and local organizations similar to those of the other major corporative market regulation systems. There are, in addition, municipal milk supply associations and, for the co-ordination of imported supplies with domestic production, there is the Government Monopoly Bureau for Milk Products, Oils, and Fats.

There is a strictly controlled scale of prices governing the traffic in milk at each stage of its journey from the farm to the consumer. As a result, consumers' prices have remained fairly steady, although producers' prices have increased. The necessity for such a measure is apparent from the fact that the price of about 20 pfennigs per litre paid to the German farmer for his milk in 1925 had in 1932 dropped to some 5 to 7 pfennigs.

Under the control scheme, milk for processing into butter, cheese, or some other manufactured product is dealt with separately, depending on whether it originated in what is designated a close control district or a non-close control district. In the former farmers must deliver all milk to the creameries for processing and may make only enough butter for their own domestic use. The producer of fresh milk, which is consumed as such, pays a levy, 50 per cent of which goes to compensate the supplier of milk for processing purposes for the lower price he obtains.

As is the case with consumption milk, butter and cheese are subject to fixed prices and to marking regulations as regards standards of quality.





The volume of shipments has now dropped to negligible proportions, amounting to only 116 tons in 1936. There have never been any exports of other dairy products.

In addition to butter and cheese, limited quantities of fresh milk and cream are imported. This is, however, principally frontier traffic, with Austria the chief country of origin.

Total imports of dairy products into Germany for the period 1934 to 1936 and for the first seven months of 1937 have been as follows:—

	1934		1935		1936		Jan.-July 1937
	M. Tons	R.M. 1,000	M. Tons	R.M. 1,000	M. Tons	R.M. 1,000	M. Tons
Fresh milk . . . . .	2,688	244	12,900	1,653	12,482	1,295	9,988
Fresh cream . . . . .	94	62	102	89	1,652	1,017	2,123
Butter . . . . .	61,763	73,692	71,000	86,561	75,407	97,703	43,761
Cheese . . . . .	33,787	40,436	27,969	26,787	27,899	27,701	18,478

Figures for butter and cheese, the more important dairy products imported into Germany, for the years 1927, 1932, and 1936 are shown in the appended table:—

	1927 M. Tons	1932 M. Tons	1936 M. Tons
Imports of butter from—	M. Tons	M. Tons	M. Tons
Denmark . . . . .	34,000	13,200	33,300
Netherlands . . . . .	31,280	8,900	9,800
Sweden and Finland . . . . .	11,490	7,200	15,800
Baltic States . . . . .	15,260	20,900	10,600
Soviet Union . . . . .	6,540	13,300	.....
Austria-Hungary . . . . .	300	2,100	3,200
Ireland . . . . .	.....	200	1,100
Argentina . . . . .	450	600	700
Australia and New Zealand . . . . .	560	2,100	.....
Total . . . . .	108,270	69,500	75,400
Imports of cheese from—			
Netherlands . . . . .	43,250	32,300	12,600
Denmark . . . . .	3,520	5,600	4,600
Switzerland . . . . .	8,820	1,100	2,000
Italy . . . . .	1,010	200	1,800
Finland . . . . .	1,690	1,900	1,700
Austria . . . . .	.....	700	1,600
Memel . . . . .	650	800	300
Danzig . . . . .	1,050	100	200
Total . . . . .	62,700	44,700	27,000

## GERMAN HONEY SITUATION

J. C. MACGILLIVRAY, CANADIAN TRADE COMMISSIONER

(One metric ton equals 2,204 pounds; one kilo equals 2.2 pounds; R.M.1 equals \$0.40)

Hamburg, September 15, 1937.—Average annual production of honey in Germany is estimated at approximately 20,000 metric tons. This is supplemented by imports, which in recent years have approximated 5,000 tons.

## DOMESTIC INDUSTRY

Little information is available regarding the industry. It is of minor importance from the national viewpoint, and the product itself is considered somewhat of a luxury. For these reasons it has not come under close government control as regards production, grading, etc., as has been the case with so many other branches of agriculture.

It is estimated that there are about 300,000 beekeepers in the country, with 2·12 million, 2·13 million, and 2·49 million swarms of bees in 1934, 1935, and 1936 respectively. The yield amounted to 11·5 kilos per hive in 1934 and 9·65 kilos in 1935. No figures are available for 1936 and 1937.

In 1935 honey exports amounted to only 3 tons. There were none in 1936 or during the first seven months of 1937. No information is available regarding unsold stocks on hand, except that there is none from the 1936 harvest.

### TYPES IN DEMAND

In Germany honey is employed principally for table use, which is estimated to account for 80 per cent of the total consumption. The balance is purchased by bakers and confectioners and by manufacturers of pharmaceutical products. Light-coloured honey is preferred to the dark varieties, and the greater part of the total quantity used is of the former type.

### IMPORTS

The total import demand shows a considerable degree of elasticity depending on purchasing power. In 1929 imports amounted to 9,815 metric tons; in 1930 they were down to 5,726 tons and in 1932 to 4,468 tons.

For 1935, 1936, and the first seven months of 1937 imports were valued at R.M.2,573,000, R.M.2,244,000, and R.M.1,318,000 respectively, the principal countries of supply being as follows:—

	1935	1936	Jan.-July, 1937
	M. Tons	M. Tons	M. Tons
Total . . . . .	6,558	5,763	3,210
Cuba . . . . .	2,725	2,750	1,316
Chile . . . . .	1,479	2,009	717
Haiti . . . . .	360	195	229
Guatemala . . . . .	479	280	214
Hungary . . . . .	213	222	160

Formerly Germany imported limited quantities of honey from Canada, but following the imposition and tightening of currency transfer restrictions shipments were greatly reduced after 1932. However, the German-Canadian Payments Agreement of October 22, 1936, which came into effect on November 15, 1936, provides that 0·2 per cent of all the foreign exchange accruing from German exports to Canada during the ensuing twelve months, with a maximum of \$20,000, will be made available to pay for honey of Canadian origin.

### DUTIES

Honey, when imported into Germany, irrespective of origin, is dutiable at R.M.80 per 100 kilos gross weight. There are no quota restrictions, but in common with all commodities entering Germany, its importation is under government control, and purchases are usually confined to countries with which special bilateral trading agreements are in force. Imports are only allowed under permit from the Government Supervisory Office for Eggs, with headquarters in Berlin.

### PRICES

Owing to the large number of small producers who sell honey, there are no uniform wholesale or retail prices. The lack of standard grades is also a contributory factor. At time of writing one wholesale quotation in Hamburg for domestic honey in bulk is R.M.1 per  $\frac{1}{2}$  kilo and R.M.0·95 for imported honey. The retail prices for these two varieties, when packed, are R.M.1·60 to R.M.1·80 per  $\frac{1}{2}$  kilo. The average retail price of honey in Berlin is approximately R.M.3·50 per kilo.



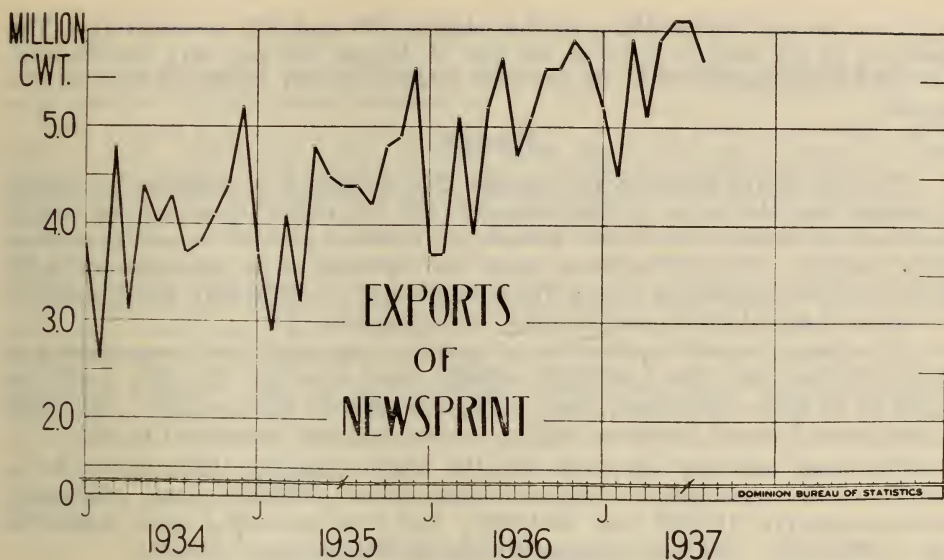
### SUMMARY OF THE TRADE OF CANADA: MONTH, EIGHT MONTHS, AND TWELVE MONTHS ENDING AUGUST, 1937

(Compiled by External Trade Branch, Dominion Bureau of Statistics)

Main Groups	Month of August, 1937				Eight months ending August, 1937				Twelve months ending August, 1937			
	From United Kingdom		From United States		From United Kingdom		From United States		From United Kingdom		From United States	
	Total Imports	\$	\$	\$	Total Imports	\$	\$	\$	Total Imports	\$	\$	\$
<i>Imports for consumption</i>												
Agricultural and Vegetable Products.....	13,242,899	1,576,277	3,283,568	90,811,518	12,359,879	29,106,486	142,281,791	18,938,833	40,667,533			
Animals and Animal Products.....	4,414,809	450,594	853,808	22,208,718	4,317,354	9,090,440	31,059,324	6,105,086	12,711,848			
Fibres, Textiles and Textile Products.....	9,067,158	4,757,902	2,148,027	80,975,572	36,600,490	26,713,067	115,992,789	51,034,532	41,194,733			
Wood, Wood Products and Paper.....	3,742,333	373,507	2,110,055	21,726,386	2,569,011	17,595,132	31,872,577	4,043,812	25,441,995			
Iron and its Products.....	17,212,179	2,791,385	13,693,182	138,834,134	18,743,895	115,920,419	185,856,134	26,672,184	153,061,058			
Non-Ferrous Metals and their Products.....	4,006,618	548,891	2,551,342	30,374,179	4,883,705	20,669,954	42,039,254	6,972,521	28,584,154			
Non-Metallic Minerals and their Products.....	13,683,053	1,261,985	10,404,852	83,898,496	8,221,432	64,347,654	128,766,384	12,803,564	97,862,023			
Chemicals and Allied Products.....	2,831,172	637,621	1,875,493	23,712,914	4,892,679	14,681,773	35,625,086	7,672,429	31,188,115			
Miscellaneous Commodities.....	4,655,718	743,728	3,259,183	30,225,051	4,543,851	21,775,526	46,591,673	7,385,689	33,187,705			
Total Imports, 1937.....	69,965,939	13,141,890	40,179,510	522,777,568	97,182,296	319,899,751	760,085,011	141,628,610	453,799,767			
1936.....	50,257,754	11,086,100	27,609,153	397,883,401	78,524,960	293,956,000	589,851,099	119,404,581	340,004,575			
1935.....	49,560,063	11,086,035	26,391,774	358,346,853	75,289,162	298,368,089	536,774,660	115,444,581	307,260,914			
<i>Exports (Canadian Produce)</i>												
Agricultural and Vegetable Products.....	17,217,102	10,477,055	2,350,426	147,754,212	83,708,729	25,392,776	313,354,484	182,222,685	62,261,139			
Animals and Animal Products.....	13,851,153	7,420,105	5,312,742	98,120,914	51,912,217	36,083,876	143,911,055	79,020,288	49,554,539			
Fibres, Textiles and Textile Products.....	1,345,764	292,635	164,125	9,778,269	2,253,116	2,035,891	14,141,655	2,961,126	3,102,517			
Wood, Wood Products and Paper.....	24,030,070	3,995,976	16,060,782	167,202,829	25,985,609	116,513,708	248,409,181	40,066,641	171,444,480			
Iron and its Products.....	7,325,953	1,683,342	740,178	45,577,522	10,181,136	6,910,118	63,240,779	15,046,421	14,586,604			
Non-Ferrous Metals and their Products.....	31,503,183	10,953,870	16,045,595	202,977,863	66,118,171	103,109,417	284,975,097	90,401,036	68,560,044			
Non-Metallic Minerals and their Products.....	3,072,561	215,677	1,793,953	19,994,346	1,780,305	13,208,830	29,969,622	2,835,198	19,544,780			
Chemicals and Allied Products.....	1,447,096	491,014	607,281	15,396,135	3,507,912	7,563,912	21,756,553	5,094,317	9,989,601			
Miscellaneous Commodities.....	1,678,378	253,928	1,041,120	11,678,944	6,427,963	6,427,963	17,061,099	3,436,850	9,716,064			
Totals, 1937.....	101,471,290	35,726,662	44,122,202	718,481,034	248,178,294	315,240,491	1,137,410,625	421,104,562	481,158,748			
1936.....	92,559,495	30,938,761	44,398,831	596,266,844	226,904,717	240,765,310	935,634,386	363,206,969	383,593,475			
1935.....	75,676,436	32,669,564	29,844,902	485,916,572	170,594,790	215,758,571	767,268,783	289,726,753	322,350,756			
<i>Exports (Foreign Produce)</i>												
Totals, 1937.....	1,867,330	215,206	1,550,191	10,807,427	954,771	9,007,426	16,726,799	1,232,269	14,246,203			
1936.....	970,261	52,889	851,919	6,777,147	640,863	5,643,017	12,508,085	908,228	10,856,772			
1935.....	961,924	78,654	812,566	7,328,007	549,987	6,321,002	9,970,298	803,140	8,181,510			
<i>Excess of Imports (i) or all Exports (e)</i>												
Totals, 1937.....	(e) 33,372,651	(e) 22,799,978	(e) 5,492,883	(e) 206,510,893	(e) 151,950,769	(e) 4,354,166	(e) 394,061,413	(e) 280,708,221	(e) 41,605,184			
1936.....	(e) 43,272,002	(e) 19,905,550	(e) 17,641,597	(e) 205,160,590	(e) 149,020,660	(e) 10,439,267	(e) 358,291,372	(e) 244,209,182	(e) 54,415,672			
1935.....	(e) 27,078,297	(e) 21,030,183	(e) 4,295,634	(e) 134,897,726	(e) 95,855,615	(e) 13,711,484	(e) 240,164,391	(e) 175,085,312	(e) 23,271,352			







## CROP REPORTS FOR THE SCANDINAVIAN COUNTRIES

RICHARD GREW, CANADIAN TRADE COMMISSIONER

### NORWAY

Oslo, September 16, 1937.—According to the report of the Director of Agriculture on the condition of crops at the end of August, the quality of the hay is somewhat uneven, being best in the northern districts. The quantity is reported to be 112 per cent of an average year in the case of cultivated fields and 107 per cent for natural fields. The grain crops have ripened rapidly under favourable weather conditions, most crops now being harvested. They are of good quality, the yields being as follows: autumn wheat, 107 per cent of an average year; spring wheat and oats, 106 per cent; spring rye, 103 per cent; mixed grain, 102 per cent; and autumn rye, 97 per cent.

The potato crop is reported to be only 90 per cent of an average year as against 102 per cent at the end of July. The same applies to the root crops, the turnip crop being estimated at 91 per cent and the swede crop at 96 per cent.

### DENMARK

The report issued by the Danish Department of Statistics on September 6 on the condition of crops at the end of August states that in practically all districts the quality of the grain crop is good. The yields for the various grains expressed as percentages of an average year are as follows in the case of Jutland: wheat 91, rye 95, barley 101, oats and mixed grain 103. For the islands the corresponding figures are as follows: wheat 96, rye 97, barley and mixed grain 100, and oats 103.

The root crops are reported to be less satisfactory than was expected at the end of July. For Jutland the crop figures as percentages of an average year are: potatoes 94, carrots 97, beets 97, swedes and turnips 93, and sugar beets 97. For the islands the figures are: potatoes, carrots, and beets, 97; swedes, 96; turnips, 94; and sugar beets, 100.

The last crop report for hay was published at the beginning of August, when the percentages were given as follows: Jutland, hay from cultivated fields, 111;

hay from natural fields, 106; on the islands, 108 and 100 respectively. The condition of the pasture fields at the end of August was not very satisfactory, the yield being estimated at 93 per cent in Jutland and at 88 per cent on the islands.

### SWEDEN

The crop report issued by the Swedish Central Bureau of Statistics on August 31 states that the crops of autumn-sown rye are rather disappointing, being described as medium, while the autumn-sown wheat yielded a crop somewhat above medium. The spring-sown crops are reported to be satisfactory, being slightly above medium for spring wheat and barley, considerably above medium for oats and mixed grain, and medium for spring-sown rye.

The potato crop is reported to be medium, the sugar beet crop somewhat above medium, and other root crops slightly above medium. The hay crops are stated to be very satisfactory, both as regards quality and quantity; the yield is good for cultivated fields and slightly above medium for natural fields.

Following are crop estimates for the whole country, 1936 figures being shown within parentheses: autumn-sown wheat, 606,000 tons (467,000); autumn-sown rye, 419,000 tons (334,000); hay from cultivated fields, 5,664,000 tons (4,905,000); and hay from natural fields, 597,000 tons (539,000).

## IMPORT TRADE OF SWEDEN IN 1936

### II

#### Items of Interest to Canada

RICHARD GREW, CANADIAN TRADE COMMISSIONER

(For practical purposes one Swedish krone is equal to approximately 25 cents Canadian; one kilogram equals 2.2 pounds; one metric ton equals 2,204 pounds)

Oslo, September 19, 1937.—In the report on the foreign trade of Sweden in 1936, published in *Commercial Intelligence Journal* No. 1743 (June 26, 1937), there was given certain general information on the trade of Sweden, such as the total imports and exports of the more important goods, the percentages of the total imports and exports credited to various countries, total timber exports by countries, and specified wood-pulp exports. This information was available from the preliminary trade returns published by the Swedish Board of Trade.

The detailed figures for the calendar year 1936 have recently been received, and for the first time these give imports by countries of origin instead of by countries of purchase. Prior to 1936 the Swedish import statistics were based on countries of shipment, and hence it is not possible in this report to show any comparison between the 1936 and 1935 imports. From next year, however, reports on the import trade of Sweden will show comparisons with the previous year.

The total imports from Canada, as shown by the Swedish statistics, are based on country of purchase, and can therefore be compared with the corresponding 1935 figures. This total increased from 2.5 million kronor in 1935 to 4.4 million kronor in 1936 (from 0.17 per cent to 0.27 per cent of Sweden's total imports). It should also be noted that, while the Swedish statistics use the term "British North America" to cover Canada, Newfoundland, and other British possessions in North America, the bulk of these imports actually originate in Canada.



## IMPORTS FROM BRITISH NORTH AMERICA

According to the Swedish trade returns for 1936, the following imports originated in British North America:—

Live animals to a value of 3,426 kronor; smoked or salted horsemeat, 6 tons; salted pork, 11 tons; fresh frozen salmon, 39 tons; salted salmon, 253 tons; casings, 217 tons; fresh apples, 10 tons; dried apples, 12 tons; wheat, 35,275 tons; wheat flour, 50 tons; blue lucerne seed, 2 tons; soy and other sauces, 74 tons; sugar, 5 tons; maize flakes, 5 tons; canned fish and lobster, 259 tons; other canned foodstuffs, 4 tons; whisky, 775 litres; asbestos, 411 tons; dextrin and starch paste, 4 tons; patent leather, 20 tons; tire casings, 166 tons; inner tubes, 8 tons; sawn wood goods, 51 cubic metres; sawn staves, 25 cubic metres; manufactured wood goods, 2 tons; wallpaper, 3 tons; woollen papermakers' felts, 2 tons; manufactured articles of gold, 2,901 grams valued at 26,682 kronor; hay forks and other farm implements, 4 tons; wrought iron castings, 67 tons; copper, 3,069 tons; knitting machine needles, 147 kilograms; outboard motors, 360 kilograms; ploughs, 23 tons; harrows, 6 tons; harvesters, 39 tons; weeding machines, 3 tons; parts for agricultural machinery, 2 tons; carbon for electro-technical purposes, 643 tons; porcelain insulators, 129 tons; parts for automobiles, 332 tons; adding and calculating machines, 149 kilograms; penholders, 171 kilograms; and one steamship of 2,208 gross tons valued at 190,000 kronor.

Of the items included in the detailed Swedish statistics, the following have been selected as being of interest to Canadian exporters:—

## FOODSTUFFS AND AGRICULTURAL PRODUCTS

*Live Animals.*—The imports into Sweden of live animals other than horses, cattle, sheep, hogs and poultry were valued at 270,471 kronor in 1936 as compared with 218,000 kronor in the previous year. Almost half of these imports came from Norway, which is credited with 112,968 kronor; Denmark with 49,261; Germany, 30,534; Great Britain, 28,980; Finland, 12,005; the United States, 11,969; British India, 10,550; and British North America, 3,426 kronor.

*Salted Pork.*—Imports increased to 1,877 tons (1,684 in 1935), supplied chiefly by Argentina, which is credited with 1,331 tons. Brazil shipped 404 tons; the United States, 63; Uruguay, 38; Finland, 13; Esthonia, 12; and British North America, 11 tons.

*Fresh Frozen Salmon.*—Imports totalled 539 tons (478 in 1935), the largest supplier being Norway with 256 tons; 147 tons originated in Finland, 39 tons in British North America, 35 tons in Denmark, 12 tons in Great Britain, 12 tons in Esthonia, 11 tons in Poland, and 10 tons in Japan.

*Salted Salmon.*—Imports totalled 839 tons in 1936 (681 in 1935). The bulk of this trade was divided between the United States, British North America, and Japan, which shipped 378, 253, and 126 tons respectively. Other suppliers were Greenland (63 tons) and Norway (13 tons).

*Casings.*—Imports of casings increased to 3,067 tons (2,815), almost half of which (1,411 tons) came from the United States, other important suppliers being France, 264 tons; the Netherlands, 236 tons; British North America, 217 tons; Poland, 193 tons; Argentina, 179 tons; Great Britain, 151 tons; and Finland, 114 tons.

*Fresh Apples.*—Imports aggregated 13,870 tons (12,865), the bulk of this trade being divided between the United States and Australia, these countries shipping 7,919 tons and 4,061 tons respectively. South Africa supplied 650 tons; Argentina, 579; New Zealand, 522; and British North America, 10 tons.

*Dried Apples.*—These imports, which totalled 1,427 tons (1,585), were divided between the United States and British North America, which are credited with 1,415 and 12 tons respectively.

*Wheat.*—Imports increased slightly to 48,714 tons (42,602), most of which came from British North America, which is credited with 35,275 tons, while the United States shipped 11,700 tons. The only other suppliers of any importance were Argentina and Denmark, which are credited with 1,646 tons and 92 tons respectively.

*Wheat Flour.*—These imports declined to 92 tons (107), of which 50 tons came from British North America, 31 tons from the Netherlands, and 10 tons from the United States.

*Soy and Other Sauces.*—Imports totalled 140 tons (143), practically all of which came from British North America and Great Britain, these countries contributing 74 tons and 62 tons respectively.

*Sugar.*—The total imports of sugar of all kinds declined considerably in 1936, aggregating only 5,138 tons as compared with 9,882 tons in the previous year. Practically all of these imports came from Cuba, which shipped 4,988 tons, while Belgium supplied 60, the United States 38, Norway 21, Germany 15, and British North America 5 tons.

*Maize Flakes.*—Imports of maize flakes amounted to 172 tons as compared with 65 tons in 1935. The bulk of these imports came from the United States, namely 128 tons; while Belgium supplied 17; Japan, 7; Great Britain, 6; and British North America, 5 tons.

*Canned Fish and Crustaceans.*—Imports consisted exclusively of sardines and anchovies, to an aggregate of 389 tons (370), the bulk originating in British North America, which is credited with 259 tons, while Japan shipped 74 tons; the United States, 19; Italy, 14; Norway, 7; and Yugoslavia, 6 tons.

*Whisky.*—Imports in bottles amounted to 76,110 litres (72,527), practically all of which 75,314 litres, came from Great Britain; British North America is credited with 775 litres and the United States with 21 litres.

#### RAW MATERIALS AND WHOLLY OR PARTLY MANUFACTURED GOODS

*Asbestos.*—Imports declined from 3,587 tons in 1935 to 2,707 tons in 1936. The chief suppliers were Finland, 964 tons; Soviet Russia, 555; Portuguese East Africa, 501; British North America, 411; and the United States, 229 tons.

*Bauxite, Flint, Fluorspar, Diatomite, and Cryolite.*—Total imports of these articles decreased to 14,381 tons (22,821), the most important suppliers being Greece, 4,697 tons; France, 4,256; Germany, 2,537; and Denmark, 2,415 tons. Imports from Norway amounted to 274 tons, and from the United States 109 tons.

*Gypsum.*—These imports totalled 29,310 tons (30,364), practically all of which, 28,953 tons, came from Latvia; Germany is credited with 377 tons and France with 20 tons.

*Patent Leather.*—Imports of this commodity in pieces weighing at least 1 kilogram each had a total weight of 24 tons (40), British North America supplying 11 tons; the United States, 9 tons; Germany, 3; and Great Britain, 1 ton. Patent leather in pieces weighing less than 1 kilogram each was imported to an aggregate of 21 tons (24), the bulk of this trade being divided between the United States and British North America, which shipped 9 and 8 tons respectively.

*Dyed Leather.*—Imports of this item in pieces weighing at least 1 kilogram each aggregated 129 tons (123), of which Germany supplied 42; Finland, 25; Denmark, 21; Great Britain, 20; and the United States, 8 tons. The imports of dyed leather in pieces weighing less than 1 kilogram each totalled 562 tons (587), the most important suppliers being Great Britain, 192; Germany, 124; and the United States, 118 tons. France is credited with 45 tons, Hungary with 22, Czechoslovakia with 21, and British North America with 1 ton.

*Other Kinds of Leather.*—These imports, in pieces weighing at least 1 kilogram, increased to 16 tons (15), Japan being credited with 8 tons, Great Britain with 4, and Germany with 2 tons. In pieces weighing less than 1 kilogram imports declined to 217 tons (242), the bulk coming from Great Britain, 156; France, 34; and the United States, 14 tons.

*Tire Casings.*—Imports of tire casings for automobiles declined somewhat in 1936, totaling 1,444 tons as compared with 2,071 in the previous year. The largest suppliers were the United States, 613; Great Britain, 235; British North America, 166; France, 152; Belgium, 110; and Germany, 89 tons.

*Inner Tubes.*—Imports of these for automobiles weighed 205 tons (253), 65 tons being credited to the United States, 61 to Great Britain, 21 to Belgium, 17 to Germany, 14 to France, 11 to Dutch India, and 8 tons to British North America.

*Silk Hosiery.*—Imports increased from 8 tons in 1935 to 9 tons in 1936, this trade being practically divided between Germany and the United States, which are credited with 7 and 2 tons respectively.

*Rubber Footwear.*—These imports declined to 50 tons (58), the chief suppliers being Norway, 34 tons; Japan 5; Germany, 4; Finland, 3; and the United States, 1 ton.

*Manufactured Articles of Gold.*—Imports aggregated 337,981 grams (243,000), most of which, 267,948 grams, came from Germany. A total of 25,359 grams are credited to Great Britain, 14,597 to Czechoslovakia, 11,625 to the United States, 4,385 to Denmark, 4,118 to Norway, 2,901 to British North America, and 2,805 grams to China.

*Hay Forks and Other Farm Implements.*—Imports totalled 225 tons (188), of which 103 tons came from Germany, 61 from the United States, 38 from Denmark, 17 from Great Britain, and 4 tons from British North America.

*Manufactured Wrought Iron Castings.*—Imports of this item weighing from 100 to 1,000 kilograms each weighed 455 tons (301), Germany being credited with 298 tons; British North America, 64; Denmark, 45; Norway, 10; Belgium, 8; the United States, 6; and France, 4 tons. Wrought iron castings, gilded, etc., and weighing less than half a kilogram, were imported to the extent of 448 tons (378), Germany supplying 292 tons; Great Britain, 79; the United States, 30; Norway, 13; Denmark, 9; Austria, 8; Czechoslovakia, 7; and British North America, 3 tons.



*Copper.*—Imports increased to 40,974 tons (34,730), the chief suppliers being the United States and Chile, which are credited with 21,861 tons and 13,164 tons respectively. British North America supplied 3,069 tons, Belgium 2,063 tons, and Great Britain 478 tons.

*Ploughs.*—Total imports weighed 338 tons as compared with 145 tons in the previous year. 210 tons originating in the United States, 51 in France, 34 in Germany, 23 in British North America, and 11 tons in Denmark.

*Harrows.*—Imports aggregated 75 tons (62), 41 tons coming from the United States, 15 from Finland, 11 from Germany, and 6 tons from British North America.

*Harvesters.*—These imports decreased slightly, amounting to 501 tons (533), of which Germany shipped 324 tons; Great Britain, 114; British North America, 39; the United States, 9; France, 8; and Belgium, 4 tons.

*Weeding Machines.*—Imports amounted to 58 tons (44), the bulk of this trade being divided between Denmark and Germany, which are credited with 29 tons and 20 tons respectively; 5 tons came from Czechoslovakia and 3 tons from British North America.

*Parts for Agricultural Machinery.*—Imports totalled 490 tons (517), most of which were credited to France, which shipped 331 tons; less important suppliers were Germany, 99 tons; the United States, 43; Denmark, 9; British North America, 2; and Great Britain, 2 tons.

*Pneumatic Machinery and Tools.*—These imports were almost doubled in 1936, amounting to 114 tons as compared with 66 tons in the previous year; 69 tons originated in Germany, 27 in the United States, 11 in Great Britain, 7 in Switzerland, and 1 ton in British North America.

*Carbon.*—Imports of carbon for electro-technical purposes aggregated 3,894 tons (3,597), the bulk of which originated in Germany, which shipped 2,560 tons; the only other suppliers were the United States and British North America, which are credited with 690 and 643 tons respectively.

*Porcelain Insulators.*—Imports amounted to 681 tons (629), of which 249 tons came from Germany, 183 from the United States, 129 from British North America, 97 from Finland, 14 from Czechoslovakia, and 5 tons from Denmark.

*Automobile Parts.*—Imports of parts other than chassis and tops increased to 15,508 tons in 1936 as compared with 13,119 tons in 1935. Practically all of these imports came from the United States, which supplied 13,660 tons; other smaller contributors were Great Britain, 782 tons; Germany, 476; British North America, 332; Belgium, 198; Czechoslovakia, 50; and France, 6 tons.

## MARKET FOR TABLE AND SEED POTATOES IN PANAMA

W. J. RIDDIFORD, CANADIAN TRADE COMMISSIONER

Panama, September 8, 1937.—There is a market for both table and certified seed potatoes on the Isthmus of Panama. The Canal Zone is the important outlet for table potatoes, while certified seed stock is imported annually into the Republic of Panama.

### DOMESTIC PRODUCTION

Potatoes are not grown in the Canal Zone, but there is an increasing and important production of potatoes in certain highland districts of the Republic of Panama. The locally grown potato is average in size and of good quality. The three growing seasons each year are roughly: November to February, March to May, and July to October. Production statistics are not available, but the total annual crop is estimated to be in the neighbourhood of 1,200 tons. This quantity is not quite sufficient to meet the total demand in the Republic of Panama and, of course, the Canal Zone imports all of its requirements.

In spite of the fact that Panama's potato crops are cultivated at an average altitude of approximately 3,000 feet above sea-level, growing conditions are difficult, due to soil deficiencies, blight and plant diseases peculiar to the tropics, and the uncertainty of the seasons in the matter of excessive rains, unusual heat, and droughts. Farm labour is scarce and expensive, and transportation costs for conveying the seed to the growing districts and returning the crops to the consuming centres are very high. Since the potato-growing industry in Panama is a recent development, the farmers are not experienced or well informed regarding potato culture.

## IMPORTS OF TABLE POTATOES

Official statistics published by the United States Department of Commerce show that approximately 4,900 tons of table potatoes are exported annually from the United States into Panama. This information is rather misleading, however, since the bulk of these exports, probably 3,000 to 3,500 tons, consists of direct shipments to United States Navy and Army establishments in the Canal Zone. Exports of American table potatoes to the Republic of Panama probably do not exceed 1,500 tons annually, and of this quantity at least 90 per cent are sold by Panamanian importers, ex bond in Panama, to Canal Zone Commissaries. There remains therefore only about 150 tons annually of imports of table potatoes for consumption in the republic. The better-class grocery stores in Panama have a small but steady demand for "States" table potatoes. This business consists of large No. 1 grade American potatoes shipped weekly in small lots either from San Francisco or New York.

## POSSIBILITY OF CANADIAN PARTICIPATION

In so far as direct shipments to the Canal Zone for the United States Army, Navy, and Civilian Commissaries are concerned, there are no prospects for sales of Canadian table potatoes at the present time, since United States regulations require the use of the American product.

Under normal circumstances, it is impossible to ship Canadian table potatoes to the Republic of Panama because (1) the duty is prohibitive, (2) domestic production almost satisfies total domestic demand, and (3) Panama importers are interested only in American potatoes, since the bulk of their imports, approximately 90 per cent, are not for consumption in the republic but are imported for the purpose of filling occasional orders for "spot" potatoes from Canal Zone Commissaries. In other words, the demand for imported table potatoes in the Republic of Panama is so small that Canadian shipments are not warranted. Importers are able to bring in regular small shipments of American table potatoes and dispose of their surplus supplies in the Canal Zone.

Occasionally the United States Army, Navy, and Civilian Commissaries will purchase Canadian potatoes, but such purchases are the result of a shortage in the United States or of a price differential in favour of the Canadian product of as much as 30 to 40 per cent.

## REQUIREMENTS FOR SALES

United States Army and Navy regulations require potatoes of at least  $1\frac{3}{4}$  inch in diameter in the case of round varieties and  $1\frac{1}{8}$  inch in the case of oblong varieties, sound, clean, and of good quality; a tolerance below these standards of only 5 per cent is permitted. Since Canadian potatoes must be from 30 to 40 per cent cheaper in price than American, local importers usually specify the cheapest possible quality and sizes with a view to barely meeting United States Army and Navy regulations. Naturally, any slight variation in grading, loss in size and weight due to dehydration in transit or deterioration and spoilage may result in rejection by the Army or Navy. In the case of rejection the Canadian shipper can expect to take a severe loss if he has sold on any terms except irrevocable letter of credit. Rejected shipments cannot be marketed in Panama because of the prohibitive duties and limited demand, and will find an outlet in the Canal Zone only as ships' stores. The demand for potatoes as ships' stores at Canal Zone ports, however, is very small.



### IMPORTS OF CERTIFIED SEED POTATOES

It is absolutely essential that Panamanian growers import seed stock for at least two of their three annual crops. At the present time Canadian exporters supply practically all of the certified seed potatoes planted in Panama. Red Bliss Triumph is by far the most popular variety, since the natives prefer a potato with a reddish coloured skin. However, a small quantity of Irish Cobbler certified seed also is required. Attempts have been made from time to time to introduce other varieties of seed stock, but the strong preference for Red Bliss Triumph remains.

### PACKING

Table potatoes may be shipped in barrels, crates, or bags. The ordinary jute sack containing 100 pounds of potatoes is the customary pack, and in the event that part of a shipment may be destined for consumption in the Republic of Panama, this type of packing is preferred by importers because duties are leviable upon gross weight.

In the past, certified seed potatoes have been shipped to Panama in barrels, but a ventilated crate containing approximately 50 kilograms is preferred. Since certified seed stock imported for planting purposes is duty free, exporters need not be concerned about the weight of the container.

### DUTIES

The Canal Zone is a strip of land approximately five miles in width on either side of the Panama Canal, bisecting the Republic of Panama. The Canal Zone is a duty-free territory, whereas table potatoes imported into the Republic of Panama are dutiable at 10 cents per gross kilogram or approximately  $4\frac{1}{2}$  cents per pound. Certified seed potatoes imported into the Republic of Panama for planting purposes are duty free. In the republic, therefore, table potatoes retail at from 7 to 8 cents per pound for native-grown and from 10 to 12 cents for imported, while in the Canal Zone table potatoes are sold at from  $2\frac{1}{2}$  to 3 cents per pound.

### SUGGESTIONS TO CANADIAN EXPORTERS

Table potatoes shipped to the Isthmus of Panama should not measure less than 2 inches in diameter and should be of good quality. This market requires a No. 1 grade potato and it is risky to ship a lower grade.

Certified seed potatoes which have been in cold storage should not be shipped to this hot, humid, tropical climate.

Canadian exporters are advised to obtain irrevocable letter of credit in full covering all shipments of potatoes to this market. This is absolutely necessary if losses arising from claims for shipments showing spoilage on or shortly after arrival are to be avoided.

### REDUCTION IN AIR MAIL RATES POSTPONED

With reference to the notice published in *Commercial Intelligence Journal* No. 1756 (September 25, 1937) relative to the reduction in air mail rates to the British West Indies, Cuba, Mexico, Central America, and South America, the Post Office Department now announces that the introduction of the reduced rates as quoted has been postponed, as negotiations are in progress which are expected to result in still more favourable arrangements.

## CANADIAN-AUSTRALIAN TRADE AGREEMENT KEPT IN FORCE

Negotiations have been completed for keeping in force the trade agreement between Canada and Australia, which was entered into in 1931 for a period of one year and thereafter subject to six months' notice of denunciation by either Government.

Under this agreement there has been a marked development of trade both ways. During the twelve months ended August, 1937, the total value of imports from Australia into Canada amounted to \$11,097,779, the chief products imported being raisins, dried currants, wool and wool tops, sugar, canned fruits, hides and skins. During the same period the total value of the exports from Canada to Australia amounted to \$29,611,638. The principal Canadian products exported to Australia are newsprint paper, automobiles and parts, logs and lumber, canned salmon, sardines, and a wide range of miscellaneous manufactured goods. Australia is the third largest market for Canadian goods.

In view of the trade balance being so much in Canada's favour, the Australian Government intimated that if the agreement was to continue in force, further concessions should be accorded Australian products imported into Canada. Accordingly by Order in Council effective October 1, 1937, the duties on certain goods, the growth, produce or manufacture of Australia, imported direct into Canada, have been reduced. In consequence of this action the trade agreement remains in force, subject to six months' notice of denunciation by either Government.

## EXTENSION OF CANADA-NEW ZEALAND TRADE AGREEMENT

The trade agreement of 1932 between Canada and New Zealand, which was due to expire on September 30, 1937, has been prolonged for another year. The original trade agreement was made for a period of one year only but has been kept in force by renewals for various periods, the last renewal being in July, 1936, for the period up to September 30, 1937.

Under this trade agreement Canadian exports to New Zealand have expanded until, during the twelve months ended August, 1937, they amounted to \$14,638,865. Canadian exports comprised such products as automobiles, rubber goods, newsprint paper, and a wide range of miscellaneous manufactured goods. Imports into Canada from New Zealand included wool, hides and skins, sausage casings, and other products, totalling during the year ended August, 1937, \$7,539,349.

In order to secure the concurrence of the New Zealand Government to a further renewal of the agreement, the Canadian Government agreed to extend to New Zealand certain reductions in duty that have just been accorded to Australia. These concessions on New Zealand products became effective by Order in Council on October 1, 1937. By virtue of this arrangement, the trade agreement is renewed for a further period of twelve months up to September 30, 1938.

## TARIFF CHANGES AND CUSTOMS REGULATIONS

### Canadian Tariff Concessions to Some British Colonies

In accordance with the trade agreement between Canada and the United Kingdom, that became effective on September 1, 1937, Orders in Council have been passed extending the benefits of the Canadian British preferential tariff to Malta, and also extending to all non-self-governing British colonies and protectorates, and to the British mandated territories of Togoland, Cameroons, and to Tanganyika Territory and Palestine, treatment not less favourable than that



accorded to any foreign country—all these concessions to be effective as from September 1, 1937, and to continue as long as the Canada-United Kingdom trade agreement remains in force.

A Canadian Order in Council, effective October 1, 1937, has been passed according to the British colonies of Papua and Norfolk Island the benefits of the British preferential tariff and of any lower duties accorded to Australia, for such time as the trade agreement between Canada and Australia remains in force. The British preferential tariff is also accorded to the mandated territory of Nauru during the continuance of the Canada-Australia trade agreement.

Another Order in Council extends the benefits of the British preferential tariff of Canada to the Gilbert and Ellice Islands and the British Solomon Islands from October 1, 1937.

### Irish Free State

#### DUTIES AND IMPORT QUOTAS

Mr. James Cormack, Canadian Trade Commissioner in Dublin, advises that a flat rate of 40 per cent ad valorem on certain articles made wholly or mainly of leather or of skin, or of a combination thereof, has, by order of the Executive Council, been extended, as from September 15, 1937, to include: (a) cases for holding pyjamas, nightdresses, stockings, gloves, ties, collars, or handkerchiefs; (b) dressing cases suitable for holding toilet requisites; (c) cases for holding hairbrushes; and (d) cash-bags.

By order of the Executive Council, the seventh quota period in respect of rubber-proofed clothing has been fixed at 500 articles for the period November 1, 1937, to October 31, 1938.

### Australia

#### TARIFF TREATMENT OF POWER UNITS

With reference to the notice appearing under the above heading in *Commercial Intelligence Journal* No. 1756 (September 25, 1937), page 576, the full text of Prefatory Note No. 12 to the Australian tariff, as amended, has now been received. It reads as follows:—

12 (a). Mechanical driving units and apparatus for transmitting power from such driving units to the driven units, when incorporated in or forming part of machines, machinery, or machine tools, shall not, unless the tariff specifically so directs, be dutiable under the tariff item applicable to the machines, machinery, or machine tools in which they are incorporated or of which they form a part, but shall be dutiable under the tariff item or tariff items applicable respectively to similar mechanical driving units and to similar apparatus for transmitting power from such driving units to the driven units, when not incorporated in or forming part of machines, machinery, or machine tools.

(b) Nothing in the last preceding paragraph shall apply to mechanical driving units or to apparatus for transmitting power from such driving units to the driven units, when incorporated in or forming part of machines, machinery, or machine tools to which the Minister directs, by notice published in the *Gazette*, that it shall not apply.

(c) For the purposes of the last two preceding paragraphs, the expression "mechanical driving units" means any apparatus or appliance producing motive power and operated by means of steam, oil, electricity, petrol, air, water, alcohol, or any other liquid or gas, and includes all devices for regulating starting or controlling such mechanical driving units, whether such devices be incorporated in or form part of the mechanical driving units or the driven units.

In pursuance of the powers conferred upon him by the Note, the Minister of Trade and Customs issued a Direction, operating on and from September 8, 1937, as follows:—

The provisions of paragraph (a) of the said Prefatory Note shall not apply to the undermentioned mechanical driving units incorporated in or forming part of machines, machinery, or machine tools or to any apparatus for transmitting power from such driving units to the driven units:—

Mechanical driving units having a driving shaft common to both the driving and driven units.

Mechanical driving units for machines, machinery, or machine tools which are so constructed that a part of the framework thereof forms the whole or a substantial part of the outer casing of the mechanical driving unit.

Mechanical driving units incorporated in or forming part of the following, viz: vehicles; meters for measuring gas fluids or electricity; dredging and excavating machinery of the shovel, back-filler, skimmer, grab, dragline, or similar types, wholly or partly revolving or self-propelling or wholly or partly revolving and self-propelling; locomotives; road rollers; electric household dish-washing machines; electric household clothes-washing machines; tractors."

## Netherlands

### CANCELLATION OF IMPORT RESTRICTIONS ON SOAP

With reference to the notice in *Commercial Intelligence Journal* No. 1733 (April 17, 1937), page 632, Mr. J. A. Langley, Canadian Trade Commissioner in Rotterdam, advises that the restrictions on the importation into the Netherlands of scented soap, transparent soap, and medicinal soap in blocks, bars, or tablets, scented soap powder, as well as scented soft and liquid soap, which were due to expire on September 30, 1937, will not be continued.

## France

### LICENCE TAX ON APPLES REDUCED

Mr. Hercule Barré, Commercial Attaché in Paris, advises that under an Exchange of Notes between France and the United States on August 19 and 25, the import licence tax on apples imported into France from the United States has been reduced from 32 francs to 16 francs per 100 kilograms (from 50 cents to 25 cents per 100 pounds at the current rate of exchange). This reduction came into force on September 17, 1937, and is to remain effective until September 30, 1938. Since Canada is accorded most-favoured-nation treatment in the import of apples into France, the same reduction will apply on Canadian apples. The import licence tax is in addition to the customs duty which, under the minimum tariff (applicable to Canada), amounts to 16 francs per 100 kilograms (25 cents per 100 pounds) on table apples in containers not exceeding 20 kilograms (44 pounds) in weight, and 8 francs per 100 kilograms (12½ cents per 100 pounds) on table apples in larger containers.

### QUOTAS FOR FOURTH QUARTER, 1937

Mr. Hercule Barré, Commercial Attaché in Paris, cables that the French quotas allotted to Canada for the fourth quarter of 1937, under decrees issued October 1 and October 3, are as follows in metric quintals (220.4 pounds): cheese, 240; barley for sowing, 250; brewing barley, 5,000; rolled oats, 3,000; apples, 5,280; sweetened biscuits, 3.50; lead, 1,820; mowers, 5.80; reapers and binders, 2.60; other agricultural machinery, 27½; insulating board, 185; cinematograph film, 2.90; patent leather, 48; calf and other small skins, 7.50. The quotas allotted on lead and agricultural machinery are in addition to those granted to Canada under the Exchange of Notes between Canada and France on July 31, 1937, details of which were given in *Commercial Intelligence Journal* No. 1749 (August 7, 1937), page 263.

## Nicaragua

### NEW LEAFLET ON INVOICE REQUIREMENTS

A new leaflet dealing with the invoice requirements of Nicaragua has just been issued by the Department of Trade and Commerce. This supersedes a leaflet on the same subject published in March of this year which, owing to amendments in the regulations made since then, it has been found necessary to revise. Copies of the new leaflet may be obtained by interested Canadian firms on application to the Department at Ottawa.



## FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING OCT. 4, 1937

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, October 4, and for the week ending Monday, September 27, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Sept. 27	Nominal Quotations in Montreal Week ending Oct. 4	Official Bank Rate
Austria . . . . .	Schilling	.1407	\$ .1882	\$ .1879	3½
Belgium . . . . .	Belga	.1001	.1684	.1684	2
Bulgaria . . . . .	Lev	.0072	.0129	.0129	6
Czechoslovakia . . . . .	Krone	.0296	.0350	.0350	3
Denmark . . . . .	Krone	.2680	.2210	.2212	4
Finland . . . . .	Markka	.0252	.0219	.0219	4
France . . . . .	Franc	.0392	.0343	.0330	3½
Germany . . . . .	Reichsmark	.2382	.4012	.4013	4
Great Britain . . . . .	Pound	4.8666	4.9519	4.9547	2
Greece . . . . .	Drachma	.0130	.0091	.0091	6
Holland . . . . .	Guilder	.4020	.5528	.5528	2
*Hungary . . . . .	Pengo	.1749	.2955	.2950	4
Italy . . . . .	Lira	.0526	.0526	.0526	4½
Jugo-Slavia . . . . .	Dinar	.0176	.0231	.0230	5
Norway . . . . .	Krone	.2680	.2488	.2489	4
Poland . . . . .	Zloty	.1122	.1889	.1889	5
Portugal . . . . .	Escudo	.0442	.0447	.0449	4½
Roumania . . . . .	Lei	.0060	.0073	.0074	4½
Spain . . . . .	Peseta	.1930	.0641	.0633	5
Sweden . . . . .	Krona	.2680	.2553	.2555	2½
Switzerland . . . . .	Franc	.1930	.2296	.2298	1½
United States . . . . .	Dollar	1.0000	1.0000	1.0000	1
Mexico . . . . .	Peso	.4985	.2775	.2775	4-5
Cuba . . . . .	Peso	1.0000	.9990	.9992	—
Guadeloupe . . . . .	Franc	.0392	.0343	.0330	—
Jamaica . . . . .	Pound	4.8666	4.9619	4.9647	—
Martinique . . . . .	Franc	.0392	.0343	.0330	—
Other British West Indies . . . . .	Dollar	1.0138	1.0316	1.0323	—
Argentina . . . . .	Peso (Paper)	.4245	.3300	.3303	3½
		Unofficial	.2975	.2980	—
Brazil . . . . .	Milreis (Paper)	.1196	.0638	.0618	—
British Guiana . . . . .	Dollar	1.0138	1.0316	1.0323	—
Chile . . . . .	Peso	.1217	.0517	.0517	4½
Colombia . . . . .	Peso	.9733	.5699	.5699	4
Peru . . . . .	Sol	.2800	.2600	.2600	6
Venezuela . . . . .	Bolivar	.1930	.3137	.3137	—
Uruguay . . . . .	Peso	1.0342	.7900	.7893	—
South Africa . . . . .	Pound	4.8666	4.9450	4.9485	3½
Egypt . . . . .	Pound (100 Piastres)	4.9431	5.0700	5.0800	—
China (Shanghai) . . . . .	Dollar	.....	.2974	.2955	—
Hongkong . . . . .	Dollar	.....	.3097	.3098	—
India . . . . .	Rupee	.3650	.3739	.3741	3
Japan . . . . .	Yen	.4985	.2884	.2885	2.92
Java . . . . .	Guilder	.4020	.5527	.5528	—
Siam . . . . .	Baht (Tical)	.4424	.4539	.4542	—
Straits Settlements . . . . .	Dollar	.5678	.5806	.5811	—
Australia . . . . .	Pound	4.8666	3.9615	3.9640	3
New Zealand . . . . .	Pound	4.8666	3.9935	3.9960	2
		* Unofficial	.1975	.1974	—

The Dominion Bureau of Statistics has supplied the following note:—

On October 2 the French franc sank to a new low point in terms of gold, when spot quotations dropped from 3·40 cents to 3·29 cents. This latest break was accompanied by the reoccurrence of gold hoarding, and gold bullion prices at London moved above levels at which they are upon a parity with the \$35 per ounce United States price. It will be recalled that as recently as June of the current year the British authorities found it necessary to support gold bullion prices which were being depressed by large quantities of dishoarded gold. Apart from the decline in francs, foreign exchanges were quiet during the week ended October 4.

## TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

### Secretary, Board of Trade—

Saint John, N.B.	Chatham, Ont.	Portage la Prairie, Man.
Halifax, N.S.	Kitchener, Ont.	St. Boniface, Man.
Quebec, P.Q.	Stratford, Ont.	Winnipeg, Man.
Montreal, P.Q.	Woodstock, Ont.	Vancouver, B.C.
Toronto, Ont.	St. Mary's, Ont.	New Westminster, B.C.

### Secretary, Chamber of Commerce—

Sherbrooke, P.Q.	Belleville, Ont.	Hamilton, Ont.
Kingston, Ont.	Peterborough, Ont.	Victoria, B.C.
Oshawa, Ont.	London, Ont.	Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

### Secretary, Canadian Manufacturers Association—

Toronto, Ont.	Winnipeg, Man.	Vancouver, B.C.
Montreal, P.Q.	Edmonton, Alta.	Victoria, B.C.

The Maritime Provinces Trade Commissioner, 122 Federal Building, Toronto, Ont.

The Bureau of Provincial Information, Victoria, B.C.

**Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.**

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Foodstuffs—</b>			
Wheat.....	680	Dublin, Irish Free State...	Purchase.
White Clover Honey.....	681	Antwerp, Belgium.....	Agency.
Pickled Meat.....	682	St. George's, Grenada, B.W.I.	Purchase and Agency.
<b>Miscellaneous—</b>			
Vegetable Parchment Paper for Butter Wrapping.....	683	Auckland, New Zealand...	Purchase.
Paper and Paper Products.....	684	Georgetown, British Guiana	Agency.
Birch Plywood.....	685	Mombasa, Kenya, Africa..	Purchase.
Curtain Muslins (Piece-goods)...	686	Melbourne, Australia.....	Agency.
Builders' Hardware.....	687	Melbourne, Australia.....	Agency.
Hardware Specialties.....	688	Melbourne, Australia.....	Agency.
Refrigerator Hardware.....	689	Melbourne, Australia.....	Agency.
Motor Car Batteries.....	690	Singapore, Straits Settlements.	Purchase.
Automotive Parts and Accessories	691	Adelaide, South Australia..	Agency.
Automobile Accessories.....	692	Melbourne, Australia.....	Agency.
Automotive Parts.....	693	Melbourne, Australia.....	Agency.
Automotive Lines.....	694	Melbourne, Australia.....	Agency.



TRADE INQUIRIES—*Concluded*

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Miscellaneous—<i>Concluded</i></b>			
Cash Tills.....	695	New York, U.S.A.....	Purchase.
Lamps (Electric Wall, Stand and Table).	696	Melbourne, Australia.....	Agency.
Wire Fencing.....	697	Lahore, India.....	Agency.
Wire Clothes Pins.....	698	New York, U.S.A.....	Purchase.
Tubular All-steel Wheelbarrows.	699	Auckland, New Zealand...	Agency.
Non-ferrous Metals (Aluminium Alloys and Magnesium).	700	Melbourne, Australia.....	Agency.

**PROPOSED SAILINGS FROM CANADIAN PORTS**

(The sailing dates are approximate and subject to change without notice)

**From Montreal**

*To Liverpool.*—Duchess of Bedford, Oct. 15; Duchess of Atholl, Oct. 22; Duchess of York, Oct. 29; Duchess of Richmond, Nov. 5—all Canadian Pacific.

*To London.*—Beaverhill, Oct. 15; Beaverford, Oct. 22; Beaverdale, Oct. 29; Beaverbrae, Nov. 5; Beaverburn, Nov. 12—all Canadian Pacific; Ausonia, Oct. 15; Ascania, Oct. 22; Aurania, Oct. 29; Alaunia, Nov. 5—all Cunard-White Star Line; Tindefjell, Oct. 25; Makefjell, Nov. 5; Rutenfjell, Nov. 15—all Fjell Line.

*To Manchester.*—Manchester Port, Oct. 14; Manchester Brigade, Oct. 21; Manchester City, Oct. 28; Manchester Citizen, Nov. 4; Manchester Regiment, Nov. 11—all Manchester Line.

*To Southampton.*—Montrose, Oct. 30; Duchess of Richmond, Nov. 25—both Canadian Pacific.

*To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—Boston City, Oct. 25; New York City, Nov. 12—both Bristol City and Dominion Lines; Norwegian, Oct. 16; Dorelian, Nov. 4—both Cunard-Donaldson and Dominion Lines.

*To Glasgow.*—Athenia, Oct. 15; Delilian, Oct. 22; Letitia, Oct. 29; Sulairia, Nov. 5—all Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Cairnesk (calls at Dundee), Oct. 13; Cairnglen, Oct. 20; Cairnmona, Nov. 3—all Cairn-Thomson Line.

*To Aberdeen and Hull.*—Gitano, Oct. 15; Kyno, Nov. 3—both Ellerman's Wilson Line.

*To Dublin and Belfast.*—Lurigethan, Head Line, Oct. 20 (cargo accepted for Cork).

*To Antwerp and Havre.*—Beaverhill, Oct. 15; Beaverdale, Oct. 29; Beaverbrae, Nov. 5; Beaverburn, Nov. 12—all Canadian Pacific (do not call at Havre); Tindefjell, Oct. 25; Makefjell, Nov. 5; Rutenfjell, Nov. 15—all Fjell Line (do not call at Havre); Brant County, Oct. 17; Flint II, Nov. 14; Grey County, Nov. 27—all County Line.

*To Rotterdam.*—Hada County, Nov. 7; August, Nov. 26—both County Line; Tindefjell, Oct. 25; Makefjell, Nov. 5; Rutvenfjell, Nov. 15—all Fjell Line.

*To Hamburg and Bremen.*—Beaverford (does not call at Bremen), Canadian Pacific, Oct. 22; Chemnitz, North German Lloyd Line, Oct. 15.

*To Copenhagen, Gothenburg and Baltic Ports.*—Ragnhildsholm, Oct. 23; Vasaholm, Nov. 6—both Swedish-America-Mexico Line.

*To Marseilles, Genoa, Naples, Messina, Palermo, Lisbon and Leghorn.*—Capo Olmo, Oct. 30; Capo Noli, Nov. 20—both Capo Line.

*To St. John's, Nfld.*—Belle Isle (also calls at St. Pierre-Miquelon), Newfoundland-Canada SS. Co., Oct. 22; Eikhaug (calls at Bay Roberts, Carbonear, Harbor-Grace and Port Union), Oct. 27; Imogene, Nov. 2 and 23—both Shaw SS. Co. Ltd.

*To Corner Brook, Nfld.*—New Northland, Oct. 11 and 25; North Voyageur, Oct. 18—both Clarke SS. Co.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Chomedy, Oct. 14; Cornwallis, Oct. 28; Colborne, Nov. 11—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Hamilton (Bermuda), Nassau (Bahamas), Kingston (Jamaica) and Belize (British Honduras).*—Lady Somers, Oct. 13; Cathcart (does not call at Hamilton or Nassau), Oct. 22; Lady Rodney, Oct. 27; Cavelier (does not call at Hamilton or Nassau), Nov. 5—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad, Demerara and Paramaribo.*—A steamer, Ocean Dominion SS. Corp., Oct. 23 (calls at Guadeloupe and Martinique if sufficient cargo offered).

*To Brisbane, Sydney and Melbourne.*—Port Montreal (calls at Adelaide if sufficient inducement offers), Montreal-Australia-New Zealand Line, Oct. 27.

*To Sierra Leone, Walvis Bay, Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques and Beira.*—Idomeneus (does not call at Sierra Leone, Lourenco Marques or Beira), Oct. 23; Ebani (does not call at Walvis Bay), Oct. 30—both Elder-Dempster Lines Ltd.

*To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Singapore, Madras, Rangoon and Calcutta.*—City of Cardiff, Canada-India Service, Oct. 28.

*To Belawan Deli, Penang, Port Swettenham, Singapore, Batavia, Cheribon, Samarang, Soerabaya and Macassar.*—A steamer, Java-New York-Blue Funnel Line, October.

*To Yokohama, Kobe and Osaka.*—City of Canton, Canada-Far East Line, Oct. 10.

*To Manila, Hongkong, Shanghai, and Dairen.*—Adrastus (does not call at Dairen), Blue Funnel Line, Oct. 12; City of Eastbourne, Ellerman & Bucknell SS. Co., Oct. 30.

*To Santos and Buenos Aires.*—Rena, International Freighting Corp., Oct. 22; Dagfred (does not call at Santos), Guardiaz Line, Oct. 29.

### From Quebec

*To Southampton.*—Empress of Britain, Canadian Pacific, Oct. 23 and Nov. 6.

### From Saint John

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demarara.*—Lady Hawkins, Oct. 13; Lady Drake, Oct. 27; Lady Nelson, Nov. 10—all Canadian National.

*To Kingston and Jamaican Outports.*—A steamer (cargo accepted for transhipment to Central and South American ports), United Fruit Co., Oct. 23.

### From Halifax

*To Liverpool.*—Manchester Producer, Oct. 14; Manchester Exporter, Nov. 1; Manchester Division, Nov. 20—all Manchester Line; Nova Scotia, Oct. 26; Newfoundland, Nov. 13—both Furness Line.

*To London.*—Bilderdyk, Oct. 14; Boschdyk, Nov. 1—both Holland-America Line; Lehigh, Oct. 13; Artigas, Oct. 27; Capulin, Nov. 10—all American Hampton Roads.

*To Manchester.*—Manchester Commerce, Oct. 10; Manchester Port, Oct. 17; Manchester Brigade, Oct. 24; Manchester City, Oct. 31; Manchester Citizen, Nov. 7; Manchester Regiment, Nov. 14—all Manchester Line.

*To Newcastle and Leith.*—Cairnesk, Oct. 16; Cairnmona, Nov. 6; Cairnross, Nov. 13; Cairnvalona, Nov. 20—all Cairn-Thomson Line; Lehigh, Oct. 13; Artigas, Oct. 27; Capulin, Nov. 10—all American Hampton Roads (call at Dundee and Hull but not at Newcastle).

*To Aberdeen, Newcastle and Hull.*—Cavallo, Nov. 2; Kelso, Nov. 18—both Ellerman's Wilson Line.

*To Cardiff, Bristol and Swansea.*—Boston City, Oct. 28; New York City, Nov. 15—both Bristol City Line.

*To Rotterdam.*—Bilderdyk, Oct. 14; Boschdyk, Nov. 1—both Holland-America Line.

*To Hamburg and Bremen.*—Lehigh, Oct. 13; Artigas, Oct. 27; Capulin, Nov. 10—all American Hampton Roads.



To *St. John's, Nfld., and St. Pierre-Miquelon*.—Fort Townshend, Oct. 11 and 25; Fort Amherst, Oct. 18—both Furness-Red Cross Line; Kongshaug, Newfoundland-Canada SS. Ltd., Oct. 18 and Nov. 1; Nova Scotia, Oct. 26; Newfoundland, Nov. 13—both Furness Line (do not call at St. Pierre); Portia (does not call at St. Pierre), Newfoundland Ry. and SS. Co., Oct. 20.

To *Kingston (Jamaica) and Belize (British Honduras)*.—Cavelier, Oct. 11; Cathcart, Oct. 25—both Canadian National.

To *Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara*.—Lady Hawkins, Oct. 21; Lady Drake, Nov. 4; Lady Nelson, Nov. 18—all Canadian National.

To *Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara*.—A steamer, Ocean Dominion SS. Corp., Oct. 13 and 28.

To *Puerto Rico, Barbados, Trinidad and Demerara*.—Chomedy, Oct. 18; Cornwallis, Nov. 1; Colborne, Nov. 15—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

To *Bermuda, West Indies, and Demerara*.—A steamer, Pickford & Black Ltd., Oct. 13 and 27.

To *Santiago (Cuba) and Kingston (Jamaica)*.—Ciss, Oct. 20; Kirsten B, Nov. 3—both Pickford & Black Ltd.

To *Yokohama, Kobe, Shanghai, Hongkong, Manila, Cebu and Java*.—Malayan Prince, Oct. 25; Cingalese Prince, Nov. 22—both Furness-Prince Line; Silverteak, Silver Line, Nov. 7.

### From Vancouver

To *Yokohama, Kobe and Osaka*.—Hiye Maru, Oct. 14; Heian Maru, Oct. 30; Hikawa Maru, Nov. 18—all Nippon Yusen Kaisha.

To *Yokohama, Kobe, Shanghai, Hongkong and Manila*.—Empress of Russia (calls Nagasaki), Oct. 16; Empress of Japan (calls Honolulu), Oct. 30; Empress of Asia (calls Nagasaki), Nov. 13; Empress of Canada (calls Honolulu), Nov. 27—all Canadian Pacific; Ixion, Oct. 16; Talythibius, Nov. 13—both Blue Funnel Line (call at Miike but not at Manila).

To *Manila, Iloilo, Cebu, Soerabaya, Samarang, Batavia, Singapore, Port Swettenham, Belawan, Deli, Colombo, Bombay and Persian Gulf Ports*.—Hoegh Silverlight, Silver-Java Pacific Line, Nov. 1.

To *Honolulu, Suva, Auckland and Sydney*.—Aorangi, Oct. 27; Niagara, Nov. 24—both Canadian-Australasian Line.

To *Papette, Wellington, Lyttelton, Dunedin, Melbourne and Sydney*.—Hauraki (calls at New Plymouth), Oct. 15; Wairuna (calls at Auckland and Napier), Nov. 25—both Canadian-Australasian Line.

To *London, Liverpool and Rotterdam*.—Lochkatrine (calls at Glasgow), Oct. 16; Dinteldyk, Oct. 30; Damsterdyk (calls at Glasgow), Nov. 13; Nebraska, Nov. 27—all North Pacific Coast Line.

To *Antwerp, Hamburg and Bremen*.—Seattle, Oct. 17; Tacoma, Nov. 7; Portland, Nov. 14—all Hamburg-American Line; Este, Oct. 27; Schwaben, Nov. 24—both North German Lloyd Line.

To *Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam*.—Oregon, Oct. 10; San Jose, Oct. 22—both Empire Shipping Co.

To *Marseilles, Genoa, Leghorn, Naples, Venice and Trieste*.—Fella, Oct. 27; Cellina, Nov. 24—both Empire Shipping Co.

To *Port of Spain (Trinidad) and Bridgetown (Barbados)*.—King Lud, Canadian Transport Co., Oct. 30.

To *Kingston (Jamaica), Trinidad and Demerara*.—Nollington Court, Canadian Transport Co., Oct. 20.

To *Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques, Beira, Colombo, Calcutta and Madras*.—Siantar, Nov. 5; Silverpalm, Dec. 4—both Silver-Java Pacific Line.

To *Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain*.—Hardanger, Oct. 30; Hoyanger, Nov. 30—both Empire Shipping Co.

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**Note.**—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.

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**CONDENSED LIST OF PUBLICATIONS ISSUED BY THE DEPARTMENT  
OF TRADE AND COMMERCE**

Applications for publications in this list, together with remittances therefor, should be addressed to the King's Printer, Government Printing Bureau, Ottawa, marked "Attention Chief Clerk of Distribution."

**GENERAL**

**Annual Report of the Department of Trade and Commerce.**—A review of the salient features of Canada's export and import trade and a summary of the activities of each of its Branches, including the Commercial Intelligence Service; Foreign Tariffs Division; Dominion Bureau of Statistics; Board of Grain Commissioners; Weights and Measures Inspection Service; Electricity and Gas Inspection Services; Publicity; Government Motion Picture Bureau; Exhibition Commission; Steamship Subsidies; Precious Metals Marking Inspection; also a statement of Revenue and Expenditure. (Price 25 cents.)

**Annual Report of the Board of Grain Commissioners.**—The administration of the Canada Grain Act during the calendar year, including reports of such officers as the Registrar, Chief Inspector, Chief Weighmaster and General Manager of the Canadian Government Elevators, prepared in accordance with Section 23 of the Act. (Price 25 cents.)

**Annual Report of Electricity and Gas Inspection Services.**—A summary of the work of these services with statistics of revenue and expenditure, as also statement showing meters, electrical energy generated for export, and lists of companies registered under the Electricity Inspection Act. (Price 25 cents.)

**Annual Report of Dominion Grain Research Laboratory.**—Details of investigations carried out in the Laboratory relating to qualities of Canadian wheat; also investigations on inquiries to further the sale of Canadian wheat and flour; milling and baking characteristics of the last crop; various forms of co-operation with Universities, Experimental Farms and other Government institutions, producers, milling and grain organizations in Canada and abroad; investigations relating to grading system, etc. (Price 10 cents.)

**Annual Report of Weights and Measures Inspection Service.**—Summary of the work of this service with statement showing revenue and expenditure; weighing machines, measures of capacity, measuring devices and lineal measures, etc., inspected in each district. (Price 10 cents.)

**Catalogue of Motion Pictures.**—List of all films available in the Government Motion Picture Bureau, with title and brief description. It is in loose leaf form, in order that revision may be made from year to year. (Price 25 cents.)

**List of Grain Elevators.**—Details of all Grain Elevators in Western and Eastern Divisions, also licensed grain commission merchants, track buyers of grain and grain dealers, and summary of grain loading platforms in Western Division. (Price 50 cents.)

**PUBLICATIONS OF THE COMMERCIAL INTELLIGENCE SERVICE**

**Commercial Intelligence Journal.**—Published weekly in English and French, containing reports of Trade Commissioners and other commercial information. The annual subscription in Canada is \$1 and outside Canada, \$3.50.

Publications of the Commercial Intelligence Service are compiled with a view to furnishing Canadian exporters with information respecting the possibilities for the sale of Canadian goods abroad, the nature of the competition to be encountered, Customs requirements, etc., and are not intended for general distribution. The publications available include leaflets giving Invoice Requirements and a series on Points for Exporters, both covering countries included in the territories assigned to Trade Commissioners.

From time to time special reports are issued separately, which subscribers to the Commercial Intelligence Journal are entitled to receive free of charge. In all other cases their distribution is controlled by the King's Printer, who fixes a price therefor.

**PUBLICATIONS OF THE DOMINION BUREAU OF STATISTICS**

The following is an abbreviated list of publications of the Dominion Bureau of Statistics:—

**Census of Canada.**

**Miscellaneous Statistics** respecting the following: Business; Education; Employment; Finance (Provincial and Municipal); Justice; Transportation, including railways and tramways, express, telegraphs, telephones, water, etc.; Production, including agriculture, furs, fisheries, forestry, mining, construction and manufactures; Vital: births, deaths, marriages, divorces.

**Canada, 1937.** (Price 25 cents.)

**Canada Year Book.** (Price \$1.50.)

**Report of the Dominion Statistician, Annual.** (Price 10 cents.)

**Trade (External), (Imports and Exports)—Annual Reports:** Fiscal Year (price \$3), Calendar Year (price 50 cents); **Quarterly Report** (price, \$2 per annum); **Monthly Report** (price \$1 per annum).

**Trade (Internal), Prices, cost of living, capital movements, etc.** (Price 50 cents.)

**Monthly Review of Business Statistics.** (Price \$1 per annum.)



# COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

## CANADIAN GOVERNMENT TRADE COMMISSIONERS

### Argentina

J. A. STRONG, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

### Australia

*Sydney*: L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh Streets. (Territory covers Federal District of Canberra, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

*Melbourne*: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building, Melbourne. (Territory covers States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

### Belgium

YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

### Brazil

L. S. GLASS. Address for letters—Caixa Postal 2164, Rio de Janeiro. Office—Ed. Da. "A. Noite," Sala 802, Praca Maua. *Cable address, Canadian.*

### British Malaya

B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory covers the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

### British West Indies

*Trinidad*: M. B. PALMER. Address for letters—P.O. Box 125, Port of Spain. Office—Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, and British Guiana.) *Cable address, Canadian.*

*Jamaica*: F. W. FRASER, P.O. Box 225, Office—Canadian Bank of Commerce Chambers, Kingston. (Territory covers Jamaica, Haiti, the Bahamas, and British Honduras.) *Cable address, Canadian.*

### China

*Shanghai*: H. A. SCOTT. Address for letters—P.O. Box 264. Office—Ewo Building, 27 The Bund, Shanghai. (Territory covers Central China and North China.) *Cable address, Canadian.*

### Cuba

C. S. BISSETT. Address for letters—Apartado 1945, Havana. Office—Royal Bank of Canada Building, Calle Aguiar 75, Havana. (Territory includes Dominican Republic and Puerto Rico.) *Cable address, Canadian.*

### Egypt

HENRI TURCOT. Address for letters—P.O. Box 1770, Cairo. Office—22 Shari Kasr el Nil, Cairo. (Territory includes the Sudan, Palestine, Cyprus, Iraq, Syria, Iran, Greece, Turkey, Bulgaria, and Roumania.) *Cable address, Canadian.*

### France

HERCULE BARRÉ, Commercial Attaché, 3 rue Scribe, Paris (9). (Territory includes French Colonies in North Africa.) *Cable address, Cancomac.*

### Germany

J. C. MACGILLIVRAY, Mönckebergstrasse 31, Hamburg. (Territory includes Germany, Czechoslovakia, Austria, and Poland.) *Cable address, Canadian.*

### Hongkong

V. E. DUCLOS. Address for letters—P.O. Box 80, Hongkong. Office—Gloucester Building, Hongkong. (Territory includes South China, the Philippines, and Indo-China.) *Cable address, Canadian.*

### British India

PAUL SYKES. Address for letters—P.O. Box 2003, Calcutta. Office—23 Esplanade Mansions, Government Place East, Calcutta. (Territory includes Burma and Ceylon.) *Cable address, Canadian.*

### Irish Free State and Northern Ireland

JAMES CORMACK, 66 Upper O'Connell Street, Dublin, Irish Free State (*cable address, Canadian*); and 36 Victoria Square, Belfast, Northern Ireland.

## CANADIAN GOVERNMENT TRADE COMMISSIONERS—*Con.*

### Italy

A. B. MUDDIMAN, Via Manzoni Nr. 5, Milan (102). (Territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia.) *Cable address, Canadian.*

### Japan

*Tokyo:* ACTING COMMERCIAL SECRETARY. Address for letters—P.O. Box 401, Tokyo Central. Office—Canadian Legation, 16 Omotecho, 3-chome, Akasakaku, Tokyo. *Cable address, Canadian.*

*Kobe:* P. V. McLANE. Address for letters—P.O. Box 230, Kobe. Office—309 Crescent Building, 72 Kyomachi, Kobe. *Cable address, Canadian.*

### Mexico

R. T. YOUNG. Address for letters—Apartado Num. 126-Bis, Mexico City. Office—Edificio Banco de Londres y Mexico, Num. 30, Mexico City. (Territory includes Guatemala, Honduras, and Salvador.) *Cable address, Canadian.*

### Netherlands

J. A. LANGLEY, Coolsingel 111b, Rotterdam. (Territory includes Switzerland.) *Cable address, Canadian.*

### New Zealand

W. F. BULL. Address for letters—P.O. Box 33, Auckland. Office, Yorkshire House, Shortland Street, Auckland. (Territory includes Fiji and Western Samoa.) *Cable address, Canadian.*

### Norway

RICHARD GREW, Stortingsgaten 28, Oslo. (Territory includes Sweden, Denmark, and Finland.) *Cable address, Canadian.*

### Panama

W. J. RIDDIFORD. Address for letters—P.O. Box 222, Panama City. Office—Royal Bank of Canada Building, Santa Ana Plaza, Panama City. (Territory includes the Canal Zone, Venezuela, Colombia, Nicaragua, and Costa Rica.) *Cable address, Canadian.*

### Peru

M. J. VECHSLER. Address for letters—Casilla 1212, Lima. Office—Portal de Belén No. 166, Plaza San Martin, Lima. (Territory includes Bolivia, Ecuador, and Chile.) *Cable address, Canadian*

### South Africa

*Cape Town:* G. R. HEASMAN. Address for letters—P.O. Box 683, Cape Town. Office—Cleghorn & Harris Building, Adderley Street, Cape Town. (Territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar.) *Cable address, Cantracom.*

*Johannesburg:* J. L. MUTTER. Address for letters—P.O. Box 715, Johannesburg. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

### United Kingdom

*London:* FREDERIC HUDD, Chief Trade Commissioner in the United Kingdom, Canada House, Trafalgar Square, S.W.1. *Cable address, Sleighing, London.*

*London:* J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W.1 (Territory covers Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

*London:* W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand W.C.2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—covers United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

*London:* W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W.1. *Cable address, Agrilcon.*

*Liverpool:* H. R. POUSSETTE, Martins Bank Building, Water Street. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

*Bristol:* E. L. MCCOLL, Northcliffe House, Colston Avenue. (Territory covers West of England, South Wales, and South Midlands.) *Cable address, Canadian.*

*Glasgow:* G. B. JOHNSON, 200 St. Vincent Street. (Territory covers Scotland.) *Cable address, Cantracom.*

### United States

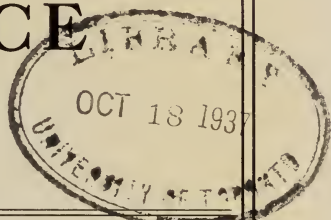
*New York City:* D. S. COLE, British Empire Building, Rockefeller Center. (Territory includes Bermuda.) *Cable address, Cantracom.*

**Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.**



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# COMMERCIAL INTELLIGENCE JOURNAL



Vol. LVII

Ottawa, October 16, 1937

No. 1759



Canadian Agricultural Machinery being unloaded from Railway Cars  
near Buenos Aires, Argentina

ISSUED BY AUTHORITY OF  
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE  
JAMES G. PARMELEE, DEPUTY MINISTER

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# COMMERCIAL INTELLIGENCE JOURNAL

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## THE BELGIAN CONGO AS A MARKET

MAURICE BÉLANGER, ASSISTANT TRADE COMMISSIONER

### I. GENERAL

Brussels, September 28, 1937.—The Belgian Congo is a vast territory extending on either side of the equator in the southern part of Africa. Its area is about 900,000 square miles or approximately eighty times that of Belgium. It comprises the greater part of the basin of the Congo River and is almost entirely land-bound. Its only outlet to the sea is on the Atlantic at the mouth of the Congo River, where its entire seacoast is only 25 miles long.

The climate presents much the same characteristics as that of other tropical countries. In the immediate vicinity of the equator there are no well-defined seasons, and regular rains fall throughout the year. Away from the equator the seasons become more marked, the long dry season and rainy season being separated by shorter periods of intermittent rains. There are no great variations in temperature from one season to the other, except at a relatively high altitude. With the exception of the higher regions of the Katanga district and a very few other favoured localities in the vicinity of the largest lakes, the excess of heat and humidity makes it unlikely that the Belgian Congo will ever have a large white population.

### POPULATION

The total native population at the last census (January 1, 1936) was close to 10,000,000; the white population was only 18,683, of which approximately two-thirds were Belgians. This white population is concentrated mostly in the provinces of Elizabethville (5,177), Léopoldville (4,361), and Stanleyville (3,131), while the black population is distributed fairly evenly over the whole territory.

The important centres, from an industrial and commercial point of view, are located in widely separated parts of the country. There are at the present time three districts of interest to Canadian exporters: the lower Congo, near the Atlantic, which includes the river ports of Boma, Matadi, and Léopoldville, the latter two being the largest import centres in the colony; the district of Stanleyville, including the city of the same name, in the northern part of the Congo and approximately halfway between the Atlantic and Indian oceans; and the Katanga, a district rich in mineral deposits, which lies almost at the extreme southwest point of the colony, close to the border of Northern Rhodesia, and includes the important city of Elizabethville. The distance between Matadi and Elizabethville is roughly 1,000 miles and about the same distance separates each of these centres from Stanleyville. These relatively great distances between the important centres of production and consumption have created a problem in transportation, the solution of which has been of vital importance to the development of the colony.

## PORTS

The Belgian Congo has only two maritime ports of any importance, namely Boma and Matadi, both on the lower part of the Congo River, about 50 and 90 miles respectively from the Atlantic coast. Boma mainly serves the territory which is adjacent to it, while Matadi is the terminus for most of the shipping to and from the Congo. The small port of Banana, on the coast, has been practically abandoned and can, in any case, only handle ships of very small tonnage.

Practically all freight for the Congo is now entered through the lower Congo ports. Previous to the completion in 1932 of the important railway system which connects Elizabethville and Albertville with the river ports of Port Francqui on the Kasai River and Stanleyville on the upper Congo, much of the freight for Albertville and Elizabethville, which are important consuming and distributing centres, was received through foreign ports on the East Coast of Africa—Dar-es-Salaam in Tanganyika for the former and Beira in Mozambique for the latter. Both of these ports have direct railway connections with the Katanga district and are much closer to the above-mentioned centres than are the lower Congo ports.

Since 1932, however, these foreign ports have lost much of their transit trade for the Congo, in spite of the fact that Beira is only 4 days' train journey from Elizabethville and Dar-es-Salaam is only 3 days away from Albertville, whereas the fastest shipping time by train and river boat from Matadi on the West Coast is approximately 15 days to Elizabethville and 20 days to Albertville. As an illustration, imports in transit at Dar-es-Salaam for the Belgian Congo fell from over 35,000 tons in 1930 to 6,000 tons in 1936. It is estimated that as a result of the improvement in transportation and of the policy of reducing through rates on import freight from Matadi to the eastern part of the colony, about 20,000 metric tons of imports were entered at Matadi in 1936, which normally would have reached the Elizabethville and Albertville districts through foreign ports.

## INLAND TRANSPORTATION

Transportation within the Congo is a complicated matter, due to the sparse population and the extent of the territory. Goods are carried whenever possible by water, and the Congo is favoured by an important network of navigable waterways, comprising the Congo River and its numerous tributaries. Railways have been constructed to bridge the gaps where navigation is not possible, and transport of goods from Matadi to certain points in the interior may sometimes means as many as six or seven transshipments from steamer to train and vice versa.

The total length of navigable waterways above Léopoldville is approximately 7,500 miles, of which nearly 5,000 miles are navigable for barges of 150 tons, 3,000 miles for barges of 300 tons, and 2,000 miles for barges of 800 tons. The total length of railways in use on January 1, 1936, was 3,000 miles. There were approximately 3,500 miles of main highways and 11,500 miles of secondary roads, in addition to about 15,000 miles of local roads.

All important shipments unloaded at Matadi are carried 250 miles by rail to Léopoldville, as the Congo River is not navigable between these two points. At Léopoldville the freight for interior points is loaded on river barges which are operated on a regular schedule between Léopoldville and the main ports on the Congo River and its tributaries. A shipment of Canadian goods unloaded at Matadi and consigned to Elizabethville is carried by rail to Léopoldville, by boat to Port Francqui on the Kasai River, and by train from Port Francqui to Elizabethville. A shipment from Matadi to Albertville will be carried by rail to Léopoldville (250 miles), by river barge to Stanleyville (1,000 miles), by



train to Ponthierville (75 miles), by boat to Kindu (200 miles), by train to Kongolo (220 miles), by boat to Kabalo (60 miles), and finally by train to Albertville (170 miles).

#### ROUTING SHIPMENTS TO THE CONGO

Most of the goods imported into the Congo are shipped from Antwerp to the Congo River ports of Boma or Matadi, the latter handling by far the greater share of the traffic. Cheap ocean rates granted by Belgian shipping companies often make it more advantageous to ship Canadian goods via Antwerp, and instructions given by agents and importers in this connection should be followed carefully, even though they may not seem reasonable at first sight. The "Compagnie Maritime Belge" also have arrangements with the various inland transportation companies in the Congo, which allow them to issue through bills of lading and to grant through rates from Antwerp to interior points in the Congo.

In many cases Canadian exporters will find that it is sufficient to quote prices c.i.f. Antwerp, but when importers require quotations c.i.f. Matadi, the possibility of obtaining a cheaper rate through Antwerp should not be overlooked. Canadian exporters to the Congo will seldom be asked to quote c.i.f. Dar-es-Salaam or Beira and need not do so in making offers unless these ports are specified by their prospective clients.

#### PACKING

The complicated system of transportation and consequent repeated handling of cargo, as well as the tropical climate, make it necessary to use special care in the packing of shipments to the Congo.

The wood used for cases should be dry and sound and without heavy knots. Poplar, spruce, and red pine are especially recommended, but any sound wood may be used provided it has no tendency to split easily. The boards should be about  $\frac{1}{2}$  inch thick for cases which, when filled, weigh 50 pounds and  $\frac{5}{8}$  inch for cases weighing 100 pounds. For very heavy or exceptionally large cases the boards used should be of sufficient thickness to afford the goods full protection. Whenever possible, the cases should be long, narrow, and thin, so that they may be easily handled by the natives, who carry them on their heads or shoulders. This is especially important when cases do not exceed 100 pounds in weight. Each face of the box should be made of a single board. If more than one board must be used, these should be tongued and grooved unless the box is metal-lined. All sides should be carefully nailed, including the cover, except when the box is metal-lined, in which case the cover should be screwed on. All cases should be securely wirebound. All marks should be burnt into the cover, and the words "Belgian Congo" should be burnt into each end. Each case should be carefully numbered, and all marks should be in letters or ciphers at least  $1\frac{1}{2}$  inch high. Cases containing goods liable to damage by excessive dampness should be lined with moisture-proof paper or metal, depending on the nature of the goods and their value. Each case should contain a detailed inventory of the contents, showing the marks and numbers on the case.

#### AGRICULTURAL AND INDUSTRIAL PRODUCTION

The Belgian Congo is primarily a source of raw materials and food products. The leading vegetable products are: palm kernels and palm oil, copal, sesame, cotton, rubber, cocoa, coffee, lumber, tanning extracts, kola, tobacco, rice, maize, millet, sorghum, vanilla, pepper, pimento, manioc, peanuts, beans, sugar cane, bananas, kapok, raphia, and sisal. Among the most important mineral products are: copper, tin, iron, gold, manganese, silver, uranium, platinum, cobalt, coal, and petroleum. Animal products include ivory, beeswax, hides, and skins.

Industrially the Congo is not highly developed and, with the exception of construction and building materials, practically the only industries are those concerned with the extraction, refining, or preparation of raw materials and food products. The main industries are vegetable oil refineries, cotton ginnings, mining, coffee mills, rubber refineries, hydro- and thermo-electric plants, soap factories, rice mills, saw-mills, brick and tile factories, cement factories, and flour mills.

There are approximately 300 firms operating in the Congo, and the total investment in agricultural and industrial enterprises is estimated at 9,000 million Belgian francs.

#### METHODS OF DOING BUSINESS

Canadian exporters should not, as a general rule, attempt to deal direct with importers and distributors in the Congo and would be seldom justified in granting exclusive agency or purchase rights to a strictly local firm, as few of these are in a position to cover adequately the whole of the country. Most of the import business of the colony is transacted in Belgium, the headquarters and buying offices of the large import and trading concerns being located at Antwerp or Brussels.

There are four different kinds of firms which may be considered as suitable connections for a foreign exporter: the large trading companies with headquarters in Belgium and trading posts and other outlets in the various distributing centres in the Congo; mining and industrial concerns which own trading posts in the districts where they operate and usually purchase exclusively for their own requirements; indent houses; and manufacturers' agents.

#### TRADING COMPANIES

The large trading companies, besides their own requirements, also handle a great deal of the indent business of local firms in the Congo. The most powerful of these is the Société d'Entreprises Commerciales au Congo Belge (SEDEC), an organization having close affiliations with the Lever group. They control an important network of wholesale and retail outlets in the Congo, and are able to carry stocks in the colony and to effect quick deliveries when necessary. Their share in the import business of the Congo is a substantial one, and they constitute an important outlet for foreign goods. Most of their requirements in foreign goods, however, are supplied by an international firm of export brokers who purchase for their account in various markets.

There are other important trading concerns operating much in the same fashion, most of which are controlled by Belgian banks. They purchase foreign goods both through import agents in Belgium and through export brokers with offices in various supplying countries. All these concerns finance their indent business in Belgium and will pay for goods on the basis of cash against documents at Antwerp or Brussels. They usually insist on exclusive sales rights in the Congo for any branded goods handled by them, and in many cases have their own brands under which goods are manufactured for them.

#### MINING AND INDUSTRIAL CONCERNS

The mining and industrial concerns who operate trading posts in certain districts of the Congo usually buy foreign goods through manufacturers' agents in Belgium. It is preferable to sell to them through an agent who can approach them all, as most of these firms cover only that part of the colony in which their industrial interests are located.

#### IDENT HOUSES

The leading indent houses have headquarters in Belgium and branch offices or agents in various centres in the Congo. They finance their indent business, grant payment facilities to their connections in the Congo, and usually pay for



goods cash against documents at Antwerp or Brussels. Some of them cover the whole of the colony, while others have better outlets in one district than in others or specialize in one class of trade. One of the most successful of these concerns has made a specialty of supplying the religious missions with their requirements in Belgian and foreign goods. Indent houses do a certain amount of commission business.

#### MANUFACTURERS' AGENTS

Some foreign manufacturers are represented in Belgium by agents who work exclusively on a commission basis. It is customary for such agents to include the Congo in their territory, but few of them have any kind of an organization for selling in the Congo itself. They are limited to sales to importing concerns with offices in Belgium but, as the bulk of the import business of the Congo is transacted in Belgium, they are often in a position to do a good volume of business, especially if they have good connections with the large trading concerns and indent houses.

In some cases, however, the large trading concerns and indent houses prefer to deal direct with a producer rather than through an agent. This is particularly true in the case of staple products in which competition is keen and prices must be kept as low as possible. In wheat flour, for instance, such firms would insist on buying direct from the mill. The choice of a representative, therefore, will sometimes depend on the nature of the goods to be sold.

#### ESTABLISHING BUSINESS CONNECTIONS

It is often difficult to induce any one of the large trading concerns to take over a new brand of goods, as these firms usually have connections of long standing with manufacturers of the various products saleable in the Congo, and to change from one brand to another means losing, to a certain extent, the benefit of previous advertising and sales promotion. This difficulty does not occur when goods are sold unbranded or under a brand belonging to the buyer.

It is easier to establish a connection with an indent house. If such a firm, however, requires exclusive sales rights in the Congo, care should be exercised to choose one that has sufficiently good connections to obtain a fair share of the business offering. If such a firm cannot be found, it is better to make a connection with a reliable commission agent specializing in the Congo, who can make offers to the various indent firms and trading concerns.

The choice of a suitable connection is a very important matter. Canadian exporters desirous of developing business in the Congo should consult the Canadian Trade Commissioner at Brussels regarding the appointment of an agent or distributor.

In dealing with an indent house or agent Canadian exporters will sometimes be requested to forward samples in duplicate, one set to the client in the Congo and one to the agent or indent house at Brussels or Antwerp. In some cases also such firms will instruct their principals to make offers direct to their clients in the Congo and to include their commission in the price quoted. The reason for this is that small importers in the Congo often feel that they are getting a better price if the offer comes from the producer rather than from the agent.

Much of the import business of the Congo is financed by the agents, trading companies, and indent firms, who grant terms to the buyers and pay cash for the goods against documents at Antwerp. This arrangement, although it may increase commission charges, is to the advantage of the shippers, as few of them have the means to obtain reliable information regarding the credit rating of individual buyers in the Congo, whereas the agents are in a position to keep a close check on them.

#### IMPORT TARIFF

The tariff policy of the Belgian Government, in so far as the Congo is concerned, is governed by the decisions of the Berlin Conference of 1885, which

recognized Belgium's rights in the African territory but dictated a policy of free trade for the Congo basin. These decisions prevent Belgium from reserving for her produce any tariff advantages in the colony through the imposition of higher duties on foreign goods. Therefore the same rates of duty are applicable to all countries, including Belgium.

The tariff of the Belgian Congo is for revenue purposes only, and for the majority of products the rates are on an *ad valorem* basis, the principal exceptions being table salt, cement, petroleum products, and alcoholic beverages, which are subject to specific rates of duty.

Most of the commodities of interest to Canadian exporters are admitted free of duty. The free list includes the following:—

Preserved butter and other edible fats; biscuits and confectionery; cereals other than rice; cereal flour other than rice flour; cheese; fresh and preserved fruits, vegetables, and meat; preserved milk; fish and shellfish, frozen or preserved; fertilizers; raw furs and skins; asbestos; mineral ores; seeds; fodder and cattle feeding cake; scientific instruments; pharmaceutical specialties; newsprint; trucks and tractors.

Among the goods subject to duty are the following, the rate applicable to each being shown within parentheses:—

Honey (27·5 per cent); non-precious metals (5); lumber in logs, sawn or planed, and manufactures of wood *n.o.p.* (18); leaf tobacco (18); automobile tires (5); other rubber goods (18); paint and varnish (18); all wearing apparel except hats and other headgear (15); musical instruments, including phonographs (24); electric refrigerators (6); agricultural machinery and implements and industrial tools and machines of all kinds (3); typewriters, adding and calculating machines, and all household labour-saving appliances and machines (15); all paper and cardboard, other than newsprint (10); leather merely tanned, dyed, moroccoed, lacquered, etc. (12); leather gloves (30); leather shoes (12); all other manufactures of leather (20); soap of all kinds (10); passenger automobiles and motor cycles (5); spare parts of automobiles (10); manufactured goods, *n.o.p.* (18 per cent); and gasolene (20 francs per 100 kilos).

## TRADE OF THE PORT OF LONDON

FREDERIC HUDD, CHIEF CANADIAN TRADE COMMISSIONER IN THE UNITED KINGDOM

London, September 27, 1937.—The Port of London Authority does not assemble independently statistics relating to the trade of the port. Such figures as are obtainable are given in the "Annual Statement of Trade of the United Kingdom," issued by the Board of Trade.

According to the most recent edition, the total value of imports and exports during the calendar year 1935 was £466,724,261 (exclusive of coastwise traffic and transshipment under bond). The total trade of the United Kingdom was £1,237,177,584, so that London handled 37·7 per cent of the country's commerce. In 1930, when the total trade was £1,701,566,086, London traffic accounted for £603,742,464, or 35·5 per cent.

As might be expected from the fact that the chief export industries are not located in the South of England, London's export trade is not relatively so heavy as the import trade. In 1935 the United Kingdom's total imports were valued at £756,040,537, of which £321,391,009 (or 42·5 per cent) came to London. This compared with 41 per cent in 1930. Total exports in 1935 were £481,137,047, of which London's share amounted to £145,333,252, or 30·2 per cent as against 26·7 per cent in 1930.

The importance of London in the import trade is to some extent due to the outstanding position of the port in respect to particular commodities. In tea, for instance, 93 per cent of the quantity consumed in the country enters through London. In meat the percentage is over 60; in rubber, 66; in sugar, 47; in raw wool, 40.



IMPORTS IN 1935

The following table shows total quantities imported into the United Kingdom during 1935, and the quantities and percentages consigned to the Port of London of some of the principal lines in which Canada is interested:—

	Total United Kingdom Imports Cwts.	Imports into London Cwts.	Per Cent
Apples. . . . .	7,241,820	2,922,117	40
Wheat . . . . .	101,225,904	26,143,749	25
Flour . . . . .	7,981,469	3,080,737	39
Bacon . . . . .	6,926,905	2,484,765	35
Oats . . . . .	3,553,614	1,991,306	55
Barley . . . . .	17,097,486	2,980,888	17
Fish (fresh-cured or canned). . . . .	3,886,211	997,043	25
	Lbs.	Lbs.	
Tobacco (unmanufactured) . . . . .	251,619,856	56,347,824	22
	Loads	Loads	
Sawn softwoods . . . . .	5,557,585	1,645,167	30
	Cu. Ft.	Cu. Ft.	
Sawn hardwoods. . . . .	35,025,648	19,071,009	54

No figures are available showing the quantities and values of actual deliveries into the Port of London from individual countries, but it should be borne in mind that, while direct imports into London from Canada are very substantial, the Thames estuary, on account of its geographical situation, is the natural channel for the importation of goods from the Continent of Europe, from the Far East, Africa, and Australasia, and the bulk of these shipments come from these territories.

UNITED KINGDOM TOBACCO SITUATION

H. L. BROWN, ASSISTANT TRADE COMMISSIONER

London, October 1, 1937.—Following is a summary of the present quantitative position of tobacco in the United Kingdom.

IMPORTATIONS

Although preliminary statistics do not provide full details, nevertheless they are of interest, bearing in mind that importation does not have any set relationship to consumption. The following table indicates the total quantities of light and dark unmanufactured tobacco imported from British and foreign countries in the eight months January to August of the past three years:—

United Kingdom Imports of Unmanufactured Tobacco, by Types

From	Jan.-Aug., 1935	Jan.-Aug., 1936	Jan.-Aug., 1937
British Countries:			
Light . . . . .lbs.	15,641,763	19,218,352	22,526,809
Dark . . . . .lbs.	12,118,064	13,360,312	14,522,620
Foreign countries:			
Light . . . . .lbs.	49,952,049	85,583,027	47,885,917
Dark . . . . .lbs.	8,234,769	6,804,361	6,830,866
Total light . . . . .lbs.	65,593,812	104,801,379	70,412,726
Total dark . . . . .lbs.	20,352,833	20,164,673	21,353,486
Total all kinds . . . . .lbs.	85,946,645	124,966,052	91,766,212

The following table shows the total importations of unmanufactured tobacco, stripped and unstripped, by countries, in the first eight months of the past three years:—

*United Kingdom Imports of Unmanufactured Tobacco by Countries*

From	Jan.-Aug., 1935	Jan.-Aug., 1936	Jan.-Aug., 1937
United States:			
Stripped . . . . .lbs.	12,877,992	5,415,096	7,818,795
Unstripped . . . . .lbs.	42,927,464	82,924,344	43,674,227
Total . . . . .lbs.	55,805,456	88,339,440	51,493,022
British India:			
Stripped . . . . .lbs.	6,245,477	9,426,590	12,911,799
Unstripped . . . . .lbs.	1,892,904	556,573	715,936
Total . . . . .lbs.	8,138,381	9,983,163	13,627,735
Southern Rhodesia:			
Stripped . . . . .lbs.	740,940	416,931	609,330
Unstripped . . . . .lbs.	7,747,769	6,906,675	8,047,070
Total . . . . .lbs.	8,488,709	7,323,606	8,656,400
Canada:			
Stripped . . . . .lbs.	492,932	708,361	683,687
Unstripped . . . . .lbs.	5,677,612	6,880,841	6,597,241
Total . . . . .lbs.	6,170,544	7,589,202	7,280,928
Nyasaland:			
Stripped . . . . .lbs.	1,179,291	2,216,459	2,784,598
Unstripped . . . . .lbs.	3,122,073	4,598,637	3,746,627
Total . . . . .lbs.	4,301,364	6,815,096	6,531,225
Other British countries:			
Stripped . . . . .lbs.	61,081	195,186	195,489
Unstripped . . . . .lbs.	599,748	672,411	757,652
Total . . . . .lbs.	660,829	867,597	953,141
Other foreign countries:			
Stripped . . . . .lbs.	214,672	230,027	121,510
Unstripped . . . . .lbs.	2,166,690	3,817,921	3,102,251
Total . . . . .lbs.	2,381,362	4,047,948	3,223,761
Total all countries:			
Stripped . . . . .lbs.	21,812,385	18,608,650	25,125,208
Unstripped . . . . .lbs.	64,134,260	106,357,402	66,641,004
Total . . . . .lbs.	85,946,645	124,966,052	91,766,212

From these data it will be noted that the share supplied by the Empire, which decreased from 32 per cent in the first eight months of 1935 to 26 per cent in the corresponding period of 1936, increased to 40 per cent in the same period of 1937. British India continues as the shipper of the largest volume, made up mainly of stripped, while Southern Rhodesia, Canada, and Nyasaland follow in order, providing unstripped mainly except that Nyasaland ships a good proportion of stripped.

The United States continues to be by far the most important individual country of supply.

**CLEARANCES FOR HOME CONSUMPTION**

The table below provides a summary of the aggregate statistical position in the months January to July inclusive in the past five years. Clearances for home consumption do not include drawback returns:—

*Imports and Distribution, January to July*

	Imports Lbs.	Clearances for Home Consumption Lbs.	Re-exports Lbs.	Balance in Warehouses Lbs.
1937 . . . . .	76,715,152	104,320,052	3,392,809	419,160,000
1936 . . . . .	106,035,784	100,713,570	7,890,394	425,525,000
1935 . . . . .	74,351,160	94,897,919	7,297,864	381,311,000
1934 . . . . .	104,328,867	92,724,148	14,562,208	403,764,000
1933 . . . . .	98,605,481	86,547,275	4,358,122	413,112,000



The following supplementary table shows the deliveries for home consumption of Empire tobacco during the months January to July in the years 1936 and 1937:—

*Home Clearances and Balance of Empire Tobaccos, January to July*

	Jan.-Aug., 1936	Jan.-Aug., 1937
British India:		
Stripped . . . . . lbs.	5,874,496	7,313,667
Unstripped . . . . . lbs.	607,707	897,085
Total cleared . . . . . lbs.	5,482,203	8,210,752
On hand . . . . . lbs.	26,674,800	28,225,828
Southern Rhodesia:		
Stripped . . . . . lbs.	709,977	877,110
Unstripped . . . . . lbs.	5,712,426	6,746,238
Total cleared . . . . . lbs.	6,422,403	7,623,348
On hand . . . . . lbs.	24,538,248 <sup>1</sup>	28,743,047 <sup>1</sup>
Canada:		
Stripped . . . . . lbs.	428,013	398,542
Unstripped . . . . . lbs.	4,795,471	4,477,253
Total cleared . . . . . lbs.	5,223,484	4,875,795
On hand . . . . . lbs.	17,369,463	18,051,545
Nyasaland:		
Stripped . . . . . lbs.	2,054,584	1,998,349
Unstripped . . . . . lbs.	5,182,551	4,967,316
Total cleared . . . . . lbs.	7,237,135	6,965,665
On hand . . . . . lbs.	25,185,065	26,916,945
Total Empire:		
Clearances . . . . . lbs.	26,291,456	28,643,048
On hand . . . . . lbs.	95,897,206	104,630,038

<sup>1</sup> Includes a few thousand pounds from Northern Rhodesia.

Clearances of Empire tobacco amounted to 1 per cent of total clearances in 1919, 8.4 per cent in 1924, 17.1 per cent in 1929, 22.2 per cent in 1934, and 22.06 per cent in both 1935 and 1936. In the first seven months of 1937 the average each month was 23.76 per cent of total clearances, an appreciable increase.

In general it may be noted that, while total importations continue to fluctuate widely, clearances for home consumption have steadily increased, including those from Empire sources. Re-exports have decreased, and so also has the total balance held in warehouse, although this balance is still entirely adequate. In short, the position, both so far as total consumption and clearances of Empire tobacco are concerned, is improving steadily.

## SCOTTISH MARKET FOR PIT PROPS

J. M. BOYER, ASSISTANT TRADE COMMISSIONER

Glasgow, September 25, 1937.—Within the past few months Scottish importers of mining timbers have been faced with rising prices and unsatisfactory deliveries from their customary sources of supply, and have shown considerable interest in the prospect of getting pit props from Canada. In the past this business has not been attractive to Canadian shippers, but under the unusual conditions prevailing at present it may merit consideration.

## CONSUMPTION AND SOURCES OF SUPPLY

Pit props for use in Scotland are customarily imported from the Scandinavian and Baltic countries. It is impossible to arrive at any exact figure of the volume of such imports, due to the fact that pit props are not always separately classified in the customs entries. The material, however, is used in all coal-mining operations, and as coal mining is one of Scotland's important industries, there is no doubt that consumption is regular and of substantial proportions. It

is estimated roughly by authorities in the trade to amount to from 80,000 to 100,000 Gothenburg scale standards per year.

### SPECIFICATIONS

Pit props used at present are of spruce or fir, mostly the latter, but similar woods would be acceptable, and Canadian jackpine (*Pinus Banksiana*) is receiving some consideration.

The wood must be of good merchantable quality, straight, free from large knots and rot. It should be well barked, and, in fact, many buyers insist on their pit props being absolutely free of bark. Preference is given by many users to wood guaranteed to be of winter felling, and some buyers insist on a guarantee to that effect. In all cases it is of the utmost importance that the props be sawn at right angles at both ends.

Sizes required range from 2 inches to 5 inches top diameters in lengths of 7 to 14 feet.

### SHIPPING AND PAYMENT

The pit-prop business is so organized at present that all cargoes must arrive at one of the ports on the Firth of Forth. These ports—Leith, Grangemouth, and Bo'ness—are of course most convenient to the usual Continental sources of supply. Pit props are received at these ports in full cargoes. Leith and Grangemouth can handle large cargoes of 1,000 to 1,100 standards, but Bo'ness cannot take cargoes of more than 750 to 800 standards, as there is insufficient depth of water.

Importers are accustomed to buying on a c.i.f. basis, which means that the shipper must arrange the ship chartering. Canadian shippers have recently offered to quote f.o.b. on pit props, but so far importers have refused to consider any departure from the customary basis of quotation.

The accepted standard of measurement is the Gothenburg scale standard. This standard is reputed to contain 180 cubic feet, and the method of measurement necessitates calculation of the actual cubic content of each piece of wood. In practice, measurement is based on a scale of top diameters and length, particulars of which are on file with the Department of Trade and Commerce, Ottawa (file No. 21971).

Measurement is carried out on the premises of the Scottish buyer, and shippers may appoint a supervisor to control the buyer's measurement at a cost of sixpence per standard.

Terms of payment vary somewhat with different buyers. In general, from 75 to 90 per cent of the f.o.b. value is paid against shipping documents. The freight is paid by the buyers and deducted from c.i.f. quotation to arrive at the f.o.b. value. Prices should include a discount of  $2\frac{1}{2}$  per cent to buyers and  $2\frac{1}{2}$  per cent commission to importers.

### PROSPECTS FOR CANADIAN SHIPPERS

In 1935 pit props were worth about £3 10s. to £4 per standard c.i.f. Scottish ports, which is regarded by importers as a normal price. Since then quotations have advanced rapidly, a recent price being £7 10s. for 9- and 10-foot lengths. This abnormal price is the only factor that could make the market attractive to Canada. In all other respects it is extremely difficult.

It is not normally good business to export round logs when it is possible to export the product of the logs in a state of further manufacture. Secondly, the fact that the Scottish pit-prop business is organized on the east rather than on the west coast adds to freight costs from Canada. There is practically no pos-



sibility of importers accepting pit-prop cargoes at Firth of Clyde ports, as they would have to reorganize their entire businesses to do so. Such reorganization would entail the establishment of new yards, the transfer of special dock labourers from eastern to western ports, and a dislocation of present arrangements for the distribution of pit props to consumers.

This tends to the conclusion that Canadian participation in the Scottish pit-prop trade is likely to be of a spasmodic rather than a permanent nature.

## ORGANIZATION OF FOOTWEAR TRADE IN SCOTLAND

J. M. BOYER, ASSISTANT TRADE COMMISSIONER

Glasgow, September 14, 1937.—Scotland offers an attractive sales opportunity to Canadian manufacturers of certain types of footwear. Some Canadian manufacturers, notably those producing rubber footwear, have catered successfully to Scottish requirements for a good many years, but there are indications that the makers of leather footwear have not exploited to the full extent the possibilities of this market.

Notwithstanding the really huge volume and variety of British shoe manufacture, there appears to be room for a substantial quantity of imports. The most progressive retailers are always desirous of obtaining something new—a little different in style or fitting, or perhaps a little cheaper than their competitors are offering. To this end, they look to overseas suppliers from whom they have purchased in recent years, shoes to the value of about £800,000 annually.

This indicates a potential market for Canadian manufacturers, especially for those who are in a position to offer a high standard of workmanship and materials in styles and fittings slightly at variance and supplementary to those available from British manufacturers.

To develop and extend trade in a market such as this, with its very keen competition, requires consideration of the organization of the trade, its present sources of supply, its selling methods and buying customs. Any sales effort put forth by a Canadian shoe manufacturer in Scotland will be misdirected, to some extent at any rate, unless it conforms to the requirements of the trade as at present constituted. The following review of the organization and methods of the footwear trade in Scotland, accordingly, may be of assistance to those interested.

### MANUFACTURING

Shoe manufacturing, so far as Scotland is concerned, is an industry of minor importance. There are in fact less than ten leather shoe factories and only three establishments making rubber footwear; several of these in both categories produce only negligible quantities.

Probably the largest leather shoe establishment is that of the Scottish Co-operative Wholesale Society, Limited, of Glasgow, which turns out a complete range of medium-priced solid leather shoes in all sizes. This factory distributes its whole output through the retail Co-operative Societies throughout Scotland and caters to a very large section of the wage-earning population. In men's shoes this factory provides lines specially suitable for the mine-worker, the dock labourer, the shepherd, the farm-worker, the factory employee, and, of course, a good range of street shoes for all. In women's shoes their output comprises good-quality medium-priced street and house shoes in a variety of styles and colours but lacking in what might be termed the novelty patterns or designs. In addition, the Co-operative factory offers boys', girls' and children's shoes in the usual patterns.

Another very important Scottish shoe factory is that of the Saxone Shoe Company, Limited, of Kilmarnock. This factory manufactures men's and women's street and sport shoes of a high quality and sells through its own retail shops throughout Great Britain. It also sells in the export market.

The third leather shoe factory is that of Messrs. A. L. Scott and Company, Limited, Glasgow, which turns out street, sport, and working shoes in all sizes to be sold by its own retail shops in Glasgow and other parts of Scotland.

There are smaller factories producing men's and women's welts, principally women's sport shoes—one in Edinburgh, one in Carnoustie, and a third in Arbroath.

Finally, there is a small old-established shoe industry centred about Maybole in Ayrshire, which caters to the special needs of workmen.

#### RUBBER FOOTWEAR

In rubber footwear the most important Scottish producer is the North British Rubber Company, Limited, of Edinburgh, which manufactures a fairly complete line. There are two smaller factories; one in Edinburgh and one in Dunfermline, but it is understood that both confine themselves chiefly to specialties such as plimsolls.

A feature of Scottish shoe manufacturing is that the three most important leather-shoe factories sell their output through their own retail establishments. All of these factory-owned shops supplement their stocks with purchases from other factories of lines which they do not themselves produce.

#### DISTRIBUTION OF FOOTWEAR OF DOMESTIC MANUFACTURE

Shoes made in England or Scotland are distributed through the following channels: (1) factory to factory-owned retail shops; (2) factory to wholesaler to retailer; (3) factory to multiple shop or large retailer.

In addition to the three Scottish shoe factories that operate their own retail outlets, there are several English factories that follow the same system. This is a method of distribution that seems to be favoured by manufacturers whose product is a bit above average quality and price but not in the luxury class.

The wholesaler is still an important link in the Scottish footwear trade, and there are numerous wholesale establishments conveniently located. Three large wholesalers, two in Glasgow and one in Edinburgh, sell throughout the whole of Scotland and Northern Ireland. There are also wholesale shoe houses in Dundee, Perth, and Aberdeen, that cater particularly to their own districts. English wholesale firms, in many cases, also operate in Scottish territory, although it is not known that any of them maintain branch warehouses in Scotland.

#### FEATURES OF THE TRADE

A feature of the wholesale trade is the large proportion of business that is done in small quantities from day to day. Many retailers purchase from the wholesalers three times a week, or even daily, in quantities ranging from two or three to fifty or a hundred pairs according to the season and the volume of trade of the particular retailer concerned. Probably half, perhaps more, of the total wholesale trade is done in this way. This method of buying is, of course, encouraged and made possible by the concentration of a large population in a small area.

Another characteristic of the wholesale trade in Scotland, especially noted in Glasgow, is the operation by larger wholesalers of ten or twelve retail shops each.



Chain shoe stores and other large retail establishments are accustomed to buy direct from the manufacturers. Multiple shoe stores, apart from those under factory control, are not numerous or of outstanding importance, but there are a number of department stores, some of them with establishments in several cities, that do a large shoe trade.

#### DISTRIBUTION OF IMPORTED FOOTWEAR

Shoes imported from overseas for sale in Scotland must be sold through the same channels as British-made shoes. They can be sold to wholesalers or direct to retail shops, not excluding those controlled by British factories. The difference in the methods of distribution is that in the case of imported shoes some agency has to be set up to take the place of the sales organization of the British factory. There are several forms which such an agency may take.

Perhaps the simplest way in which an overseas manufacturer can market shoes in this country is by appointing an agent or representative to solicit orders for direct shipments from the overseas factory to the Scottish wholesaler or retailer. In most cases such an agent, besides obtaining orders, would clear shipments through the customs and perhaps arrange for forwarding them to inland points.

In cases where it is desirable to maintain stocks for rapid "sorting" service to the retailer the agent may be provided with warehouse facilities for the storing and re-shipping of goods owned by the manufacturer.

In different circumstances, where the volume of business to be done is large, the overseas manufacturer may set up a subsidiary sales organization in this country.

#### SUBSIDIARY COMPANY PLAN

An adaptation of the subsidiary company plan is now being tried out by two European manufacturers. Both have set up subsidiary British companies, and both are engaged in small manufacturing operations in Great Britain. In addition, they use these subsidiaries to sell the product of their European factories. One of them, a Swiss firm, has no direct interest in retail trade in Great Britain, but the other, the famous Bata organization, already operates about six retail shops.

As a beginning, the best method for Canadian manufacturers, apart from the rubber footwear trade which is already established, would seem to be the appointment of selling agents. Then, if the volume of business warrants it, arrangements could be made for the maintenance of stocks in this country. The chief drawback to such a plan is, notably in the case of children's shoes, that there appears to be some reluctance on the part of buyers to place initial orders unless they know that they can get replacement stocks promptly on short notice.

Instances have occurred where business has been done through correspondence between the overseas factory and the Scottish wholesale or retail buyer. In a highly competitive market, however, sales made in this way are the exception, and seldom, if ever, develop into a continuous, dependable business relationship.

#### FUNCTIONS OF THE AGENT

The functions of the agent include primarily the selling of goods for his principal's account and the clearance of resultant shipments through the customs. By arrangement, however, the agent's duties may be extended. For example, there may be occasions in which it is desirable to bulk shipments for several retailers into one consignment in order to save ocean freight. In such cases

the shipment could be sent to the agent who would break it up into its components and forward them to their various destinations. A still further extension of the agent's functions may make him the custodian of replacement stocks maintained in this country by the manufacturer.

The rate of commission payable to agents in Scotland varies with the functions assigned them, and is a matter of arrangement. It may safely be said, however, that reputable agents are not likely to consider anything less than 7 per cent for acting merely as salesmen.

In many lines Scotland is a sufficiently large territory to assign to one agent, and can be worked to best advantage by an agent resident in Scotland. This does not apply to shoes of high quality and price. Such shoes would be saleable through such a limited number of retailers in Scotland that distribution and selling would be most economically handled by an agent who had the whole of the United Kingdom for his territory.

#### CATERING TO THE SCOTTISH MARKET

It may be difficult or even impossible for the Canadian manufacturer of shoes to compete in Scotland on equal terms with the home manufacturer. The buyer will perhaps make some allowances if he particularly wishes to obtain supplies from overseas. On the other hand, established practice is an important factor, and therefore the more closely the terms offered by Canadian exporters approach conditions to which the trade in Scotland is accustomed, the more likelihood there is of obtaining a good volume of business. Since the Scottish buyer, wholesale or retail, is accustomed to being quoted prices that include every item of cost until the goods are delivered to his premises, the most satisfactory method of quoting is in sterling, delivered free of charge. Many buyers would not consider any other method of quotation, and to the vast majority offers based on prices in dollars f.o.b. Canadian factory would be unacceptable.

Price agreement among United Kingdom manufacturers of leather footwear, so far as can be ascertained, has never been attempted. In rubber footwear, however, all manufacturers and wholesalers quote identical prices and terms for similar goods.

#### TERMS OF CREDIT

Terms of credit vary according to the class of merchandise and the source of supply. A fairly common basis for leather shoes, however, is  $6\frac{1}{2}$  per cent for payment in 7 to 10 days or 5 per cent for payment 30 days from the first of the month following shipment. Discounts on rubber footwear are less than on leather. In connection with credit terms, it should be pointed out that credit risks in Scotland are very slight. The shoe traders in business to-day are almost universally well financed and reliable in meeting their obligations.

It is not advocated that Canadian manufacturers with a temporary surplus of shoes should attempt to enter this market. Buyers are interested, in most cases, only if there are prospects of a reasonable continuity of supply.

Advertising is not by any means a universal practice in the Scottish shoe trade. A few of the British manufacturers advertise to some extent in newspapers and magazines, but it is not considered a necessity.

The Canadian Government Trade Commissioner, 200 St. Vincent Street, Glasgow, C.2, will be pleased to carry out special investigations for Canadian shoe manufacturers who are interested in the possibilities of this market. Requests for such an investigation should be accompanied by complete information as to the class of footwear manufactured and approximate prices at which it could be delivered in this country.



## MARKET FOR SAUSAGE CASINGS IN SOUTH AFRICA

J. C. BRITTON, ASSISTANT TRADE COMMISSIONER

Johannesburg, September 6, 1937.—There is a fair demand for sausage casings in the Union of South Africa. The volume of imports is not large, but has increased steadily during the past four years. Imports are composed almost entirely of hog casings, which are not produced domestically, local manufacture being confined mainly to sheep casings, with a limited production of beef casings. China was the principal overseas supplier during the calendar year 1936, being credited with imports valued at £23,247 or 67.1 per cent of the total. That country's share of the imports of sausage casings in 1933 amounted to only £106.

The present disturbed conditions in the Far East, which have resulted in curtailment of shipping facilities, have aroused some anxiety in the minds of importers regarding availability of future supplies, and have resulted in a sharp advance in the price of Continental sausage casings. Importers are desirous of establishing contact with additional sources of supply in order to meet the regular demand for hog casings.

### SOURCES OF SUPPLY

The following table shows the value of imports of sausage casings into the Union of South Africa from the chief sources of supply in the calendar years 1936, 1935, 1934, and 1933:—

	1936	1935	1934	1933
Total . . . . .	£34,599	£31,174	£27,619	£24,952
China . . . . .	23,246	16,404	1,964	106
Holland . . . . .	7,592	7,467	4,384	3,830
United States . . . . .	2,878	5,722	16,191	11,068
United Kingdom . . . . .	694	539	121	2,926
Canada . . . . .	.....	452	3,679	4,153
Denmark . . . . .	.....	387	1,041	2,810

Imports from China are mainly unbleached hog casings, while those from Holland are made up chiefly of the bleached variety.

### MARKET REQUIREMENTS, PRICES, AND PACKING

There are two types of imported sausage casings in demand by South African buyers. These are the unbleached casing forthcoming from China and the pure white bleached variety as supplied by Holland. Prices on Chinese unbleached casings are approximately 5s. c.i.f. South African ports. Bleached casings from Holland are being quoted at 6s. 4d. to 6s. 5d. c.i.f. Both these prices are for 100 yards of casing 32.34 mm. wide. Recent quotations on a similar quantity of the same width from the United States were \$1.60 f.o.b. New York. The above quotations include agent's commission. Sausage casings for this market are generally shipped in tierces weighing from 300 to 350 pounds. In the case of China, orders are given for one or more complete tierces, but importers buy half-tierces from Continental and other suppliers.

### DISTRIBUTION, TERMS, AND TARIFF

The best method of covering the entire trade is through resident commission agents. Several of the more important agency firms have offices in the chief centres throughout the Union of South Africa. It is possible to deal direct with some of the larger buyers and eliminate the agent's commission, but in general purchasers prefer to deal with a local agent, who is in a position to adjust complaints and give any other details personal attention. Commission paid to an agent on a line such as sausage casings should not exceed 5 per cent.

The larger firms engaged in this trade will generally take advantage of any cash discounts offered for payment overseas. A large percentage of overseas business is transacted through shipping houses located in London or New York. In general, business done in this market is on a sight-draft basis. Hog casings are free of duty from all sources when imported into the Union of South Africa.

#### PROSPECTS FOR SALE OF CANADIAN CASINGS

Canada formerly obtained a fair share of the sausage casing trade of the Union. Imports from the Dominion ceased entirely in 1936, due mainly to the inability of Canadian shippers to meet prices quoted by Chinese, Continental, and United States exporters. There is a possibility of Canada again obtaining a share of the market, as several inquiries have been received recently from importers and agents requesting quotations on Canadian hog casings. Interested exporters are invited to submit quotations to this office, particularly if they can quote at prices approximating those applying on hog casings from the United States and Holland.

### AUSTRALIAN WHEAT AND FLOUR

FREDERICK PALMER, CANADIAN TRADE COMMISSIONER

Melbourne, September 16, 1937.—Wheat and flour exports from Australia for the period from December 1 to the week ending September 6 totalled 84,049,317 bushels as compared with 78,563,997 bushels for the corresponding period of the previous year and 81,257,806 bushels for the 1935 period.

#### WHEAT

The export market for Australian wheat last month was very dull, importers showing little interest in forward markets, and sales have been restricted to cargoes afloat. At present there is some indication of an improvement, the latest sale for a near-at-hand afloat cargo from South Australia realizing 43s. 6d. (Australian currency), equivalent to \$8.47 Canadian, per quarter. Russia is anxious to make sales, however, but at present she is experiencing difficulty in securing tonnage. Commitments of Australian wheat to Japan have been small as a result of the rigid control of imports instituted by that country, and Japanese buyers find it extremely difficult to obtain the necessary permits to import.

The current price of wheat to growers is about 4s. 6d. (Australian currency) per bushel at country sidings, equivalent to 88 cents Canadian, and the price f.o.b. main shipping points is about 5s. 1½d. (Australian currency) per bushel, equivalent to \$1 Canadian. Very little trade in wheat is being transacted within Australia. Farmers are holding the balance of their supplies, and local prices are above export parity, so that shippers are unable to operate. The uncommitted stocks of the old Australian wheat crop are now comparatively low, and the estimated quantity for which no tonnage has been taken is approximately 50,000 tons, so that Australia will go into the new season with a very small carry-over.

#### NEW CROP

The crop prospects at present are satisfactory in all states, as a result of the excellent rainfalls during August and the opening week of September. Estimates range from 175,000,000 to 190,000,000 bushels for the coming crop, but a reliable estimate may not be forthcoming until October, when the crop will be sufficiently advanced. Given good normal rainfall, however, from now until



harvest time, it is expected that a crop of 180,000,000 bushels may easily be garnered.

The area sown to wheat in Australia for the coming harvest is estimated at 13,744,000 acres, an increase of 11·4 per cent over the previous season but approximately 500,000 acres or 3·5 per cent less than the average for the past decade. The favourable price prevailing for wheat, and the fair prospect of it being maintained, has induced farmers to increase their areas with late sowings.

### FLOUR

The demand from the Near East for Australian flour has been strengthened, and fair quantities have been sold for September-October shipment. Sales are again being made to Dairen and, though shortage of freight from that centre is a limiting factor, 5,000 tons have been purchased for September shipment. These sales are the result of the cessation of flour shipments from Shanghai to both northern and southern Chinese ports. It is understood that the Australian wheat that is being purchased by Japan is against sales of Japanese flour to Dairen.

Export quotations for flour are £10 2s. 6d. (Australian currency) per ton in 150-pound sacks, equivalent to \$39.87 Canadian, and £10 12s. 6d. per ton in 49-pound calico bags, equivalent to \$41.86 Canadian. The local price of flour is £12 10s. per ton of 2,000 pounds (\$49.15) delivered Melbourne and suburbs.

### CHARTERING

Freights continue firm, but the present rising rates in the Orient are being reflected here. Shipowners are asking 47s. a ton for wheat in bulk from South Australia or Victoria for December-January shipment, but the tendency is for owners to hold for a still higher figure.

## MARKET FOR CANNED FRUITS AND VEGETABLES IN HONGKONG

V. E. DUCLOS, CANADIAN TRADE COMMISSIONER

(Values in Hongkong dollars: HK\$1 equals 30 cents Canadian)

Hongkong, September 15, 1937.—According to official statistics, imports into Hongkong of canned fruits and canned vegetables during 1936 were valued at \$395,521 and \$610,592 respectively, as compared with \$322,939 and \$532,180 for 1935. It should be noted, however, that a considerable proportion of the imports into Hongkong under these headings comprise products of neighbouring territories for consumption by the native population only. Since these products do not enter into competition with supplies from other sources, the aggregate total of imports from Western countries may be taken as a basis for estimating the market possibilities for Canadian products.

The following tables show imports of canned fruits and vegetables from these countries for the years 1936 and 1935:—

### *Imports of Canned Fruits into Hongkong*

	1936	1935
United Kingdom . . . . .	\$ 13,655	\$ 15,790
Australia . . . . .	7,577	10,313
Canada . . . . .	4,853	7,400
France . . . . .	2,001	1,239
United States . . . . .	93,082	100,764
	<hr/> \$121,168	<hr/> \$135,506

*Imports of Canned Vegetables into Hongkong*

	1936	1935
United Kingdom . . . . .	\$ 18,407	\$ 33,950
Australia . . . . .	1,258	353
Canada . . . . .	14,100	13,579
Belgium . . . . .	18,312	1,576
France . . . . .	26,098	25,582
United States . . . . .	59,284	60,297
	<hr/> \$137,459	<hr/> \$135,337

As indicated by the foregoing figures, the United States is the leading supplier of both canned fruits and vegetables to the Hongkong market. The suppliers of canned fruits next in importance are the United Kingdom, Australia, and Canada, while in the case of canned vegetables France, Belgium, the United Kingdom, and Canada are also important contributors.

## CONSUMPTION

Although the vast population of South China would seem to provide an unlimited field for the sale of canned fruits and vegetables, owing to low purchasing power such products are considered luxuries by all but a relatively small minority. Sales are further limited by the fact that these products often cost 50 per cent more landed in South China than c.i.f. Hongkong, owing to the application of Chinese Maritime Customs duties. The abundant supplies of domestic fresh fruits and vegetables, while not of the extensive variety offered by the canned lines, meet the needs of the majority of the population and are well within the purchasing power of the poorest class.

Hongkong, on the other hand, with its population of Europeans and wealthy and middle-class Chinese who are accustomed to use and are in a position to afford such products, offers a comparatively small but steady market for canned fruits and vegetables.

## DOMESTIC SUPPLIES

The variety of fruits and vegetables canned in Hongkong and South China is not extensive, being confined to peas, beans, water chestnuts, bamboo shoots, lichees, and a number of typical Chinese fruits and vegetables. However, production is large and, in addition to supplying the domestic market, meets the demand from Chinese domiciled in other countries. Thus, during the year 1936, it is estimated that exports of canned fruits exceeded \$250,000 in value, while those of canned vegetables were in the neighbourhood of \$700,000.

## REQUIREMENTS OF AGENTS AND BUYERS

Exporters of canned fruits and vegetables desirous of entering the Hongkong market, when communicating with prospective agents or buyers or requesting this office to make investigations on their behalf, should forward samples of their products together with c.i.f. Hongkong prices and the terms and discounts they are prepared to offer.

Terms quoted for the Hongkong trade range from letter of credit to ninety days. Basic prices c.i.f. Hongkong, with no reference to discounts or commissions, are frequently advisable, as they permit the importer to immediately determine his opportunities of competing in the market.

## METHODS OF SALE

The majority of the large import houses have the exclusive agency for one or more brands of canned fruits and vegetables. They look after the indenting, shipping, storing, financing, and advertising, but as soon as the goods are



delivered in the company's godowns, in the majority of cases, it is a Chinese broker in the employ of the agent who does the selling.

In Hongkong and South China the Chinese broker corresponds to the travelling salesman in Canada, and sales depend very largely upon his selling ability and his connections with Chinese buyers. A Chinese broker is usually employed by an importing house at a nominal salary with a commission on sales. Given a competitive article with an attractive label, a well-connected broker will produce a good turnover.

#### BRANDS OR "CHOPS"

An important feature of the Hongkong and South China market is the value of an attractive brand, trade-mark or, as the Chinese call it, "chop." In making sales to the Chinese population the "chop" is of great importance because a considerable proportion of the buying public cannot read English. They associate a particular requirement with a certain size, shape, or colour of container. An original purchase of a canned product will be made chiefly on the basis of price, but if the product proves satisfactory the buyer will examine the label carefully and for future purchases will always insist on a tin with the same label. A label, therefore, should be distinctive, as large as possible, and brightly coloured. There are no particular preferences as to design, and the types usually used by Canadian packers are satisfactory for this market.

It should be noted that a product which has been selling in the market for years and is well known by its "chop" will continue to sell even if at a slight premium over a similar and cheaper but still unknown line. Eventually the cheaper line may sell more widely, but this will be the result of the new "chop" becoming known and appreciated as a similar article at a better price.

The Chinese buyer is conservative and favours long-established brands, hence the importance of underquoting by a firm entering this market with a new line. Not only must a product new to this field be offered at a lower price than that of similar articles already known to the Chinese, but the exporter must realize that a large business will take some time to develop, the period depending upon the ability of the local agent to secure a wide distribution, and therefore advertisement, for the "chop."

Once it has been definitely established that a certain "chop" has a fair chance of becoming popular in the local market, steps should be taken to register it with the Registrar of Trade Marks in Hongkong. The total cost of such registration is approximately \$25 Canadian.

#### COMPETITION

Californian packers, with their long-established and widely advertised products, have a strong foothold in the canned fruits and vegetables market of Hongkong and South China. They have cultivated the market by meeting the demands of all classes of buyers. Thus, they are offering their products in four different grades—Fancy, Choice, Standard, and Second Quality. The Fancy and Choice grades cater to the requirements of the European and higher-class Chinese population, while the Standard and Second Quality grades are popular with the hotel, restaurant, and middle-class Chinese trade.

The importation into Hongkong of Canadian canned fruits and vegetables has for the greater part been confined to Fancy and Choice grades. Increased expansion in imports of Canadian origin will depend on the possibility of competing in price with Standard and Second Quality grades already on the market.

Canned peaches and pears, in 2½-pound packing, are the largest sellers in the canned fruits lines. In canned vegetables the greatest demand is for peas, pork and beans, and sweet corn.

PACKING, GRADING, AND PRICES

Detailed information concerning packing, grading, and prices of canned fruits and vegetables for the Hongkong market may be obtained by interested Canadian firms on application to the Department of Trade and Commerce, Ottawa (quote file No. 15072).

ADVERTISING

It is not the practice for exporters of canned fruits and vegetables to grant advertising allowances to their Hongkong agents. Quotations should be sufficiently liberal to permit of the expenditure of certain sums for this purpose by the agents at their discretion.

TARIFFS

There are no duties applicable to canned fruits and vegetables when imported into Hongkong, and the products of all countries enter on the same basis. Duties are levied on canned vegetables and fruits on entry into South China, but these are taken care of by the Hongkong agents, importers, or dealers when shipments are being made to that territory.

PRESENT MARKET CONDITIONS

During the past year Hongkong dealers in canned fruits and vegetables have been overstocked and have been ready to sell at little or no profit in order to consolidate their cash position.

On account of the disturbed conditions in China proper, there has been an influx into Hongkong of a considerable number of refugees, both European and Chinese, resulting in recent weeks in increased buying of all types of canned foodstuffs in anticipation of a scarcity of foodstuffs in the colony. Although this situation has served to alleviate the overstocked condition of the market, the large orders now being placed by dealers may eventually result in the market being again overstocked.

TRADE COMMISSIONERS ON TOUR

The following Canadian Trade Commissioners are now on tour in the Dominion: Mr. B. C. Butler, Singapore, Straits Settlements (whose territory covers the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India); Mr. J. H. English, London, England; and Mr. F. W. Fraser, Kingston, Jamaica (whose territory covers Jamaica, Haiti, the Bahamas, and British Honduras). Their itineraries are as follows:—

Mr. Butler

Montreal and district. . . . .	Oct. 18 to 28	Windsor . . . . .	Nov. 10 to 12
Perth and Smith's Falls. . . . .	Oct. 29 and 30	Tecumseh, Essex and	
Kingston. . . . .	Nov. 1	Chatham . . . . .	Nov. 13
Belleville . . . . .	Nov. 2	London . . . . .	Nov. 15 to 18
Peterboro, Oshawa and		Brantford and Galt . . . . .	Nov. 19 and 20
Whitby . . . . .	Nov. 3 and 4	Kitchener . . . . .	Nov. 22 and 23
Newmarket, Orillia, and		Guelph . . . . .	Nov. 24
Gravenhurst . . . . .	Nov. 5 and 6	Hamilton . . . . .	Nov. 25 to 27
Owen Sound and Goderich. . . . .	Nov. 8 and 9		

Mr. English

Toronto and district . . . . .	Oct. 22 to Nov. 6	Windsor . . . . .	Nov. 17
Niagara Falls . . . . .	Nov. 8	London . . . . .	Nov. 18 and 19
Hamilton and district . . . . .	Nov. 9 and 10	Quebec . . . . .	Nov. 22
Guelph . . . . .	Nov. 12	Charlottetown . . . . .	Nov. 25
Kitchener . . . . .	Nov. 15 and 16	Halifax . . . . .	Nov. 26 and 27



**Mr. Fraser**

Vancouver . . . . . Oct. 14 to 23      Ottawa and district . . . . . Oct. 28 to Nov. 3

Firms who wish to be brought in touch with the Trade Commissioners should communicate, for Toronto, Vancouver, and Winnipeg, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres with the respective Board of Trade or Chamber of Commerce.

**UNITED STATES MARKET FOR TURNIPS**

R. G. SMITH, ASSISTANT TRADE COMMISSIONER

New York, October 5, 1937.—Imports of turnips into the United States over a period of years have been remarkably steady, the consumption being apparently unaffected by local production or local purchasing power as reflected by general business conditions. Thus, since no other countries supply turnips to this market except in negligible quantities, it may be regarded by Canadian producers as a dependable outlet for their export surplus.

**IMPORTS FROM CANADA**

The following table shows the remarkable consistency of shipments from Canada during the period 1931-35, years marked by considerable fluctuations in general business conditions. Furthermore the table indicates that shipments were practically independent of either the volume of Canadian production or of the price per pound as disclosed in the official United States statistics. These prices are the average of the fair market quotations at time and place of shipment and could logically be expected to influence imports:—

*Imports of Canadian Turnips into the United States*

	Imports Pounds	Per Cent Average Price <sup>1</sup>	Per Cent Average Production <sup>1</sup>
Average 1925-29.. . . .	130,006,764	96	112
1931.. . . .	92,724,834	89	83
1932.. . . .	95,207,468	76	106
1933.. . . .	96,020,552	117	98
1934.. . . .	88,415,202	127	114
1935.. . . .	99,476,549	91	99
Average 1931-35.. . . .	94,368,921	100	100
1936.. . . .	139,677,481	114	107

<sup>1</sup> These figures represent the percentages which the price and production for each year and period are of the 1931-35 averages respectively.

This table shows no consistent relationship between either of the three columns. Actually imports of any one year's harvest take place mostly from September of that year to May of the following year, so that a more correct comparison could be obtained by considering two-year periods. If an average is taken for any two consecutive years, the results so obtained will be found to be more uniform than the yearly figures, which probably indicates that the slight fluctuations shown in the yearly returns are caused more by heavier or lighter imports during the first or the last of the turnip shipping season, rather than by any real change in the quantity imported from each crop year.

The United States is the only important market for Canadian turnips. Cuba took some shipments in 1934 and 1935, and Newfoundland, the West Indies, and Bermuda are regular importers of smaller quantities, but exports other than to the United States are insignificant.

### IMPORT DUTY

Under the Canada-United States Trade Agreement, effective 1936, the duty of 25 cents per 100 pounds was reduced to 12½ cents. The sudden increase in imports in 1936 was undoubtedly the result of this duty reduction.

Prior to June, 1930, the duty on turnips was 12 cents per 100 pounds. Thus the average imports for the period 1925-29 are of interest as giving an indication as to what market could be expected under tariff conditions that are now similar to those prevailing during that period. The detailed figures for 1925-29 also indicate a steady outlet, although there were wider fluctuations in that period than in the years 1931 to 1935, which may indicate that the market under the present duty will not be as steady, although larger than the 1931-35 average.

### FACTORS AFFECTING IMPORTS

The factor that undoubtedly affects imports more than any other is the price quoted from Canada. It is true that the facts as disclosed in the foregoing table indicate that the volume of production, and consequently the price of turnips in Canada, has little effect upon imports. On the other hand, in considering these figures it must be remembered that the figures of production are for the whole of Canada, while only Prince Edward Island and Ontario may be considered as exercising a decisive influence on the local market.

The weather is probably the other main influence on the trade. Turnips are essentially a cold-weather vegetable, and during warm periods the demand slackens considerably and vice versa. Another factor of lesser importance is the potato market. In years of surplus potato production in the United States, low prices might have a slight effect towards a reduction in the consumption of turnips. However, such a cause must be considered as distinctly secondary.

### FUTURE POSSIBILITIES

All things considered, the reduction in duty should ensure a considerably increased market for Canadian turnips. It will be noted from the foregoing table that for the first year after the reduction was in effect imports exceeded the average imports for the period 1925-29. Under ordinary circumstances it could be expected that the 1936 figures would be improved this year, as the trade becomes better organized to take advantage of the duty reduction. Furthermore the 1936 figure was attained in the face of an exceptionally mild winter, which would normally adversely affect shipments during the period September to December of that year. On the other hand the price of potatoes during 1936 was high, which might have had a slight tendency to increase shipments of turnips over normal.

For the first six months of this year imports reached nearly 52,000,000 pounds, which was only slightly under the figures for the same period in 1936. Since this movement took place during an exceptionally mild winter, the comparison must be considered satisfactory.

It is generally admitted in the local market that the grading of Canadian turnips has improved, with a beneficial result on the demand. Taking all factors into consideration it seems reasonable that, with the rate of duty at the present level, there should be a steady annual outlet in the United States for from 130,000,000 to 150,000,000 pounds. Only a shortage in Prince Edward Island and Ontario, possibly coupled with a warm winter, would tend to bring total imports below the above-mentioned minimum.

### LOCAL PRODUCTION

The local production of turnips is unimportant as far as the outlet for Canadian turnips is concerned. There are no statistics of production, but it



may be assumed that there is a fairly general distribution of turnips throughout the United States. New Jersey is probably the most important producer.

The figures of carlot unloads at the markets where Canadian turnips are sold indicate that Texas supplies a few cars to Cleveland, Cincinnati, Philadelphia, Pittsburgh, and Chicago, principally from January to March. Pennsylvania supplies fairly large amounts to Philadelphia by truck, and similarly Michigan supplies Detroit and Chicago. Long Island and New Jersey supply New York in substantial quantities from June to April. There are also some shipments of turnips from nearby sources to Boston by truck, and Maryland and Virginia ship a few cars during June and July. In general, however, all the foregoing cities look to Canada for their main supplies.

### DISTRIBUTION

Imports from Canada for 1936 into the various markets are given as follows, with the 1935 figures in parenthesis for purposes of comparison, all reduced to carlot equivalents: New York, 642 (598) mostly by boat and rail; Newark, 814 (622). These shipments are mostly for the New York market, being imported by boat and subsequently trucked to New York (truck unloads from New Jersey amounted to 152 of which probably 75 per cent were Canadian). Boston, 748 (715) mostly boat and rail; Chicago, 398 (141); Detroit, 96 (82); Philadelphia, 102 (66), largely for the manufacture of canned soap; Cleveland, 68 (58); Cincinnati, 51 (43); Pittsburgh, 41 (not available).

Certain markets prefer large turnips, such as New York and Pittsburgh where 4- to 6-inch turnips are desired. Boston requires somewhat smaller sizes, while Philadelphia and Cleveland demand small sizes of  $2\frac{1}{2}$  to 3 inches.

Most turnips imported are sold direct or by agents to large wholesale distributors. In some of the larger centres the farmers' markets handle some of the domestic production.

Turnips are sold outright and on consignment. Indiscriminate consignment selling should be discouraged owing to its demoralizing effect on the market. At the same time it is realized that the situation of Prince Edward Island lends itself more readily to consignment shipments. As most of the supplies from the Island come by boat and better freight can be secured by boat-load lots, only a portion of such a quantity could be handled on a direct sale basis.

Under these circumstances the demoralizing effects of large consignment shipments could be discounted by a more orderly arrangement at the shipping end, so that the sales could be controlled by one agency in New York.

### PRICES

During September the turnip market has been somewhat stronger than last year. The wholesale selling prices during September for Prince Edward Island turnips per 50-pound sack have been between 70 and 80 cents, with Ontario prices slightly lower. During the last week, prices weakened with warmer weather, being generally between 55 and 65 cents. These prices compare with general quotations of between 60 and 70 cents for the first part of September, 1936, which weakened to 45 to 60 cents for the latter half of the month.

Prices last season were strongest during March and April when good turnips sold at between 65 and 75 cents. Top prices were reached during March for waxed turnips from Ontario, which sold at from 90 cents to \$1 per sack.

To estimate the f.o.b. car price at New York from the foregoing figures 7 cents should be deducted, which represents 5 cents cartage and 2 cents jobbing profit. Commission to the agent varies, but 2 cents per bag may be taken as a fair average charge.

## WHEAT AND FLOUR TRADE REGULATION IN EUROPEAN COUNTRIES<sup>1</sup>

### X. Denmark

RICHARD GREW, CANADIAN TRADE COMMISSIONER

(One Danish krone equals approximately 22 cents Canadian)

Oslo, September 17, 1937.—The regulations governing the wheat and flour trade of Denmark are based on the Danish Grain Law of April 7, 1936, which was fully reviewed in *Commercial Intelligence Journal* No. 1703 (September 19, 1936). As mentioned in that report, there are no restrictions on the importation of grain and feedstuffs apart from those imposed by this law.

At the time this law came into force the price of wheat and other grains on the world markets was extremely low, and one of the main objects of the law was to institute a system of taxes by means of fixing prices for barley and soft wheat, maize, oats and mixed seed, and rye above the c.i.f. prices, the difference being collected and distributed to the Danish grain growers in accordance with certain rules and regulations.

#### PROVISIONS OF THE GRAIN LAW

As regards hard wheat and flour milled from hard wheat, the law provided that the duty should be 100 per cent higher than the rate fixed for soft wheat and flour thereof, but not lower than 3 kroner (67 cents) and 4.30 kroner (96 cents) per 100 kilos respectively. The duty was to be fixed in accordance with the degree of hardness, which would be decided by the Minister of Agriculture and Fisheries after samples had been analysed. The duty on flour was the equivalent of the duty on wheat on an extraction basis of 70 per cent; that is to say, ten-sevenths of the duty on wheat. In addition, refunds of duty were granted according to a fixed scale on imports of hard wheat with a nitrogen content of less than 2.45 per cent, and of wheat flour with a nitrogen content of less than 2.35 per cent.

Since the Grain Law came into effect, the world prices of all kinds of grain on which prices had been fixed have advanced considerably beyond the fixed prices. As a result, no taxes can be collected, but the farmers are now in receipt of adequate returns for their products, and the collection of taxes is no longer necessary. Owing to this situation, the Grain Law was amended on October 3, 1936, the taxes on all grains except unmilled hard wheat, wheat flour, and lucerne meal being abolished. On January 30, 1937, a further amendment was passed abolishing the taxes on unmilled hard wheat and wheat flour.

#### AMENDMENTS

The Grain Law also stipulated that import permits from the Valuta Kontor of the National Bank (now known as the Valuta Central) were required for the importation of grain and feeding stuffs. Wheat, therefore, was subject to the same exchange licensing system as the majority of other commodities entering Denmark, although in practice licences for importation of wheat were always granted. Under date May 7, 1937, a further amendment to the Grain Law was passed which abolished the necessity of securing permits for the importation of grain and feeding stuffs in advance, and the present procedure is that importers must, within three days after a contract has been made, submit either the contract or confirmation of purchase to the Valuta Central to be stamped.

<sup>1</sup> Earlier reports in this series were published in the *Commercial Intelligence Journal* as follows: United Kingdom, No. 1748; Belgium, No. 1751; Germany, No. 1752; Norway, No. 1753; France, No. 1754; Finland, No. 1755; Irish Free State, No. 1756; Italy and Portugal, No. 1757.



The amendment mentioned above also contained a paragraph whereby the Minister of Agriculture and Fisheries is authorized, in conjunction with the Minister of Trade, Industry, and Shipping and after joint deliberation with the Agricultural Council, to prohibit the export of grain and products thereof, as well as feeding stuffs, from Denmark.

### PRESENT SITUATION

As a result of the various amendments to the Grain Law, the present position is that, as far as the importation of grains is concerned, the trade is free of all restrictions with the small exception that contracts or purchases must be stamped by the Valuta Central. Another important point is that only authorized importers may purchase grain from abroad. This provision is not of real importance, as all firms which had been handling imported grains at the time that the exchange licensing system came into effect in January, 1932, were considered to be authorized. The main objective of this provision was to prevent firms from entering into a new line of business in which the exchange licensing system would restrict the volume of business for those firms already engaged in it.

### EXCHANGE CONTROL LAWS

With regard to wheat flour, no duties or taxes are now levied, and the only restriction at present in force is that the importation of flour is subject to the import licensing system embodied in the Danish Exchange Control Laws which first came into force on January 30, 1932. These laws were enacted after Denmark had abandoned the "gold standard," and their original purpose was to enable the Government to maintain a reasonable balance between total exports and total imports and thus safeguard the Danish currency. In practice, however, the Exchange Control Laws enable the Government to regulate imports in favour of any supplying country, and to offer home industries and products any desired measure of protection.

Under these laws, the Valuta Kontor or Exchange Office of the National Bank was established, and to this office importers of a wide range of commodities are now obliged to apply for import permits at certain specified dates, namely January 1, May 1, and September 1. The possession of such a permit serves the double purpose of assuring entry at the Customs and the necessary foreign exchange to provide for payment abroad. Without a permit the goods in question cannot be imported into the country.

In their original form the Exchange Control Laws provided that importers would be granted licences or permits for not less than 45 per cent of their imports in 1931, subject to the provision that the percentage might be varied for political-commercial considerations. In an amendment, dated February 5, 1936, the clauses relating to minimum imports were dropped, and now all permits can be granted or withheld at the discretion of the Exchange Office.

Importers have no means of knowing in advance whether import permits will be granted or withheld, and in the case of Canadian flour, no permits have been issued for the past year. In exercising their discretion with respect to the allotment of permits, the responsible officials take into consideration, among other things, the balance of trade between Denmark and the country of origin of the goods to be imported. Preferred treatment with respect to permits is usually given in the case of goods which originate in a country with which Denmark has a favourable trade balance. In this regard it should be noted that the balance of trade between Canada and Denmark has been approximately twenty to one in favour of Canada. Importers of Canadian goods, therefore, are in no position to ask for favours with respect to the allotment of permits.

While the importation of grain into Denmark is, for all practical purposes, free of all restrictions, it should be remembered that the Minister of Agriculture

and Fisheries, in conjunction with the Minister for Trade, Shipping, and Industry and after deliberation with the Agricultural Council, may issue additional regulations as are deemed advisable. In this regard, it might be mentioned that, as conditions have changed to such an extent since the law first came into effect, it is quite possible that a new law will be adopted to cover the situation as it is at present.

### IMPORTS OF WHEAT

In the following table, which shows the quantity of wheat imported into Denmark from the principal sources of supply for the years 1930 to 1936 inclusive, it should be borne in mind that in the Danish statistics the country of purchase is regarded as the country of origin:—

#### *Imports of Wheat into Denmark*

Countries of Origin	1930	1931	1932	1933	1934	1935	1936
	Figures in Metric Tons of 2,205 Pounds						
Total	146,098	397,080	296,353	299,416	360,741	365,062	243,272
Germany	39,320	150,076	124,914	151,012	55,772	2,781	1,671
Great Britain	2,942	13,410	2,526	3,313	6,599	20,848	11,961
Sweden	5,974	610	1,463	378	14,921	5,557	48,883
Soviet Russia	9,953	86,346	2,753	1,109	150	.....	.....
Latvia	26	200	351	.....	304	11,516	.....
Poland and Danzig	5,206	4,271	1,754	.....	825	11,181	16,867
Holland	1,265	11,416	15,229	8,151	11,675	12,633	7,445
Belgium	500	360	.....	2,192	20,086	28,739	14,711
France	5,436	2,559	.....	.....	113,763	148,568	5,932
Switzerland	50	.....	926	1,682	5,300	.....	.....
Czechoslovakia	.....	.....	.....	.....	.....	.....	1,153
Roumania	.....	35,210	5,796	.....	.....	.....	1,598
Canada	12,397	14,938	50,480	45,036	29,989	18,894	10,738
United States	38,854	37,819	30,041	41,496	58,726	78,458	116,649
Argentina	23,108	38,711	56,535	44,948	40,522	25,731	4,824

As far as Canadian wheat is concerned, a considerable proportion is purchased either in London or New York, and as a result the above figures do not give a true picture of the quantity of wheat which is imported from Canada. It should also be remembered that during 1934, 1935, and 1936 the United States wheat crop was not sufficient to meet domestic requirements. In all probability, therefore, imports of wheat from the United States were almost entirely of Canadian origin. As the United Kingdom is the principal wheat-importing country in the world, Danish imports must be for purchases that have been transacted in that country while shipments have been received direct from country of supply. A considerable portion of Danish wheat imports from the United Kingdom are probably of Canadian origin. It is likely also that the balance consists mainly of re-exports of Canadian and Argentine wheat.

### FEED WHEAT

A further point to be considered in connection with the foregoing table is that the quantities of wheat imported do not consist entirely of milling wheat. A considerable portion is low-grade wheat imported for feeding purposes, and particularly for the poultry industry. Unfortunately, the statistics do not differentiate between feed wheat and wheat for milling purposes. The quantity of feed wheat varies greatly from year to year, depending on the results of the domestic harvest of feeding stuffs.

As regards imports from Germany, there is a considerable trade between Hamburg and the smaller Danish ports on the west and south coasts. It is frequently more convenient to purchase small quantities of a few hundred tons from Hamburg rather than from Copenhagen, the latter serving as a distributing centre for the north and east coast ports. Most of the imports from Hamburg are of wheat that has been held in the free port and re-exported in small parcels.



## PRODUCTION OF WHEAT

The following table shows the acreage sown to wheat in Denmark, as well as the yield in metric tons and also in bushels on the basis of 60 pounds to the bushel, for the years 1930 to 1936 inclusive:—

*Danish Wheat Acreage and Production*

Year	Area Sown Acres	Production	
		Tons	Bushels
1930.. . . . .	249,077	278,000	10,210,940
1931.. . . . .	258,951	273,600	10,049,328
1932.. . . . .	245,370	299,300	10,993,289
1933.. . . . .	265,138	319,200	11,724,216
1934.. . . . .	284,659	354,600	12,824,458
1935.. . . . .	316,782	404,300	14,849,939
1936.. . . . .	295,037	310,000	11,386,300

During the seven-year period there has been a steady increase in the area sown to wheat, although in 1936 there was a decline of over 21,000 acres as compared to the previous year. The total increase between 1930 and 1936 amounts to about 45,000 acres. As regards production, the yield for 1936 was roughly 3,500,000 bushels less than in the previous year and is smaller than any harvest since 1932, although the acreage was greater than any year with the exception of 1935. The harvest for all grains, including wheat, during 1936 was below average.

## WHEAT CONSUMPTION

While it is possible to show the total consumption of wheat by adding the production and import figures, the volume of human consumption cannot be ascertained, as large quantities of low-grade wheat are imported for feeding purposes.

The following table, therefore, shows the total consumption of wheat in Denmark for the period 1930 to 1936:—

*Danish Consumption of Wheat*

Year	Imports Tons	Production Tons	Consumption Tons
1930.. . . . .	146,098	100,800	246,898
1931.. . . . .	397,080	104,800	501,880
1932.. . . . .	296,353	99,300	395,653
1933.. . . . .	299,416	107,300	406,716
1934.. . . . .	360,741	115,200	475,941
1935.. . . . .	365,062	128,400	493,462
1936.. . . . .	243,271	119,400	362,671

Comparing the import and production figures, it will be noted that the former have varied considerably, while production has increased at a fairly steady rate. This is probably due to the fact that in certain years the crops of feeding stuffs have not been up to normal, and hence additional imports were required, of which wheat for feeding purposes has been an important item.

## IMPORTS OF WHEAT FLOUR

The following table shows the quantity of flour imported into Denmark from the principal supplying countries from 1930 to 1936 inclusive, together with countries of origin:—

*Imports of Wheat Flour into Denmark*

Countries of Origin	1930	1931	1932	1933	1934	1935	1936
	Figures in Metric Tons of 2,205 Pounds						
Total.. . . . .	71,223	67,999	43,894	35,732	21,940	15,693	8,426
Germany.. . . . .	2,655	2,544	601	1,236	1,211	34	21
Great Britain.. . . . .	133	1,488	17,942	23,562	15,341	14,889	8,290
France.. . . . .	617	3,525	871	1,051	144	78	9
Canada.. . . . .	12,869	14,154	9,170	8,076	4,406	585	44
United States.. . . . .	51,530	43,312	12,032	1,238	801	93	59

It will be noted that imports of flour have declined to negligible quantities as compared to 1930 and 1931. In addition, the direction of the trade has changed to a noticeable extent. Previously, Canada and the United States were the principal sources of supply, but during the past four years imports have been chiefly from the United Kingdom, which in 1936 shipped more than 98 per cent of the total imports, although imports from that country have declined considerably from the 1933 figures.

The decline in the imports of flour has been made up to a great extent by the increased production of Danish flour over the period 1930 to 1936, as the following figures indicate: 1930, 108,800 metric tons; 1931, 109,300 tons; 1932, 123,200 tons; 1933, 148,500 tons; 1934, 146,200 tons; 1935, 157,000 tons; 1936, 165,700 tons.

Between the years 1930 and 1936 imports have declined by 62,697 tons, while domestic production has advanced by 56,900 tons. To a great extent, the policy of issuing licences for flour imports has reacted in favour of the domestic milling industry, and Denmark is now practically self-sufficient in so far as flour is concerned.

## WHEAT SITUATION IN FRANCE

J. P. MANION, ASSISTANT COMMERCIAL ATTACHÉ

Paris, September 24, 1937.—Since the National Wheat Office has absolute power in the fixing of the price of wheat in France and is obliged by law to fix the price during the second two weeks of August, preliminary estimates of the French wheat crop are this year of considerable importance.

### CROP ESTIMATES

The Department of Agriculture estimated at the end of July that the wheat crop would be about 72,000,000 quintals (264,240,000 bushels). On the basis of this estimate, the price was fixed at 181 francs a quintal, increasing throughout the year by 1 franc a month for the first five months and 1.50 franc a month for the remainder of the year. This monthly addition to the price is intended to cover storage charges, so that the producer at any time during the year will obtain the same amount of money. The fixed price, at current exchange, was about \$1.75 per bushel.

Since publication of the Government estimate, unofficial figures have been issued placing the wheat yield at 64,000,000 quintals (234,880,000 bushels). Since French consumption is normally about 300,000,000 bushels, this would suggest a shortage of wheat during the coming year. However, the carry-over was estimated at about 3,000,000 quintals (approximately 12,000,000 bushels), and it is expected that another 12,000,000 bushels will be imported into France from the North African colonies. This would bring the total domestic wheat stocks to 254,000,000 bushels, with probable imports during the current year of approximately 46,000,000 bushels.

### IMPORTS

According to the statistics of imports of wheat for the first six months of 1937, Canada supplied just over 50 per cent of the French requirements. Previous to this year the North African colonies had accounted for about two-thirds of the market. The decrease in shipments from that source during the 1937 period is not due to larger shipments from Canada but to last year's short crop in Algeria and Morocco.

For the first six months of 1936 North Africa supplied 7,935,000 bushels of wheat, whereas this year supplies from that country amounted to only 3,066,000 bushels. During the same period this year Canadian supplies amounted to 4,068,000 bushels, or only 50,000 bushels less than last year. Argentina has sup-



plied 442,000 bushels during the 1937 period; Irak, 181,000; the United States, 125,000; and other countries, 74,000 bushels. Canada, therefore, supplied nearly 85 per cent of the imports from foreign countries.

Imports from Canada and other countries must be compensated for by exports of French wheat or of wheat derivatives, whereas imports from North Africa are considered as additional supplies of domestic wheat.

## GERMAN POTATO SITUATION

J. C. MACGILLIVRAY, CANADIAN TRADE COMMISSIONER

(One metric ton equals 2,204 pounds; one kilogram equals 2.2 pounds; R.M.1 equals \$0.40)

Hamburg, September 15, 1937.—It is estimated that the total potato yield in Germany for 1937 will approximate 50,000,000 tons, compared with 46,000,000 tons in 1936 and 40,000,000 tons in 1935. The quality of the crop is also considered satisfactory and superior to that of the preceding year.

These favourable crop results were due partly to good weather conditions and partly to the added attention which producers have given to the technicalities of cultivation. In addition, the price reductions on several chemical fertilizers, which became effective at the beginning of March, permitted the more extended use of such fertilizers for potato production, and more attention has been paid to the quality of the seed used.

No figures have been published which would show the exact area sown to potatoes during the current season, but it was apparently larger than in the 1936 crop year. In accordance with the present policy of agricultural expansion in Germany, potato production has tended to increase, since potatoes have a greater nutritive value per unit of cultivated area than many other field products. An added factor has been the greater demand for potatoes for industrial purposes.

### UTILIZATION OF CROPS

German agricultural authorities are now considering methods by which the greatest advantage can be derived from this year's abundant potato production. For marketing purposes the crop has been divided into four main groups according to utilization as follows: for human consumption, for use as animal feed, for factory and industrial purposes, and for seed.

### HUMAN AND INDUSTRIAL CONSUMPTION

The demand for potatoes for human consumption and for seed is fairly constant, amounting to approximately 20,000,000 tons per annum. The demand for industrial potatoes fluctuates considerably, but hitherto has averaged about 4,000,000 tons a year. It is estimated, however, that the quantity available for the manufacture of potato flakes this year will be three times that used in 1936, and that the requirements for other purposes will increase correspondingly.

### ANIMAL FEED

The potato surplus, over and above requirements for home consumption, seed, and industrial production, will be utilized largely as animal feed. In this regard the present abundant potato crop is particularly opportune because of the restrictions which have recently been placed on the use of cereals as a feed for livestock. Three fields of animal husbandry have been affected by the prohibition on grain feeding, namely, hog raising, horse breeding, and poultry raising. In Germany cattle have never been fed to any extent on cereals with the exception of mill offals.

*Hog Feed.*—Potatoes have been used in Germany as feed for pigs for a considerable number of years. They are regarded as a fat producer, and are used in mashings consisting of 75 per cent potatoes and 25 per cent barley groats

mixed with fresh skimmed milk. An alternative preparation includes a mixture of 65 per cent potatoes, 26 per cent barley groats, 8 per cent fish meal, and 1 per cent calcium. Since potatoes have always been the principal ingredient in feeds of this type, there will be little change in the quantities consumed this year.

*Horse Feed.*—The use of potatoes as a feedstuff for horses has been much less general, as their possibilities for this purpose are not so well known. From the point of view of nutritive value, however, potatoes are considered an excellent substitute for both rye and oats,  $3\frac{1}{2}$  kilograms of raw potatoes, or 3 kilograms of evaporated or sour potatoes, being equivalent to about 1 kilogram of oats. During the winter, when field work is at a minimum, it is contended that the oat ration can be entirely replaced by potatoes.

*Poultry Feed.*—The use of potatoes as a feed for poultry is, as in the case of horses, in a somewhat experimental stage. Up to the present they have been used as a fattener before killing, but some consideration has been given their use as part of a general feed ration. One mixture which is recommended consists of two-thirds potatoes, one-third groats and bran, and one-eighth litre of skimmed milk per fowl. Part of the potato ration may be replaced by sugar beet, while some other albumen-containing product may be substituted for the skimmed milk.

#### STORAGE METHODS

It is intended that, by means of the above-mentioned methods, about 2,000,000 tons of bread grains formerly used for feeding will be replaced by potatoes. Consequently farmers are being advised to take full precautions in storing, so that there may be no loss due to rotting or other causes.

The keeping qualities of potatoes used for feeding can be retained if the potatoes are evaporated and soured as soon as possible after harvesting. Most producers have evaporating equipment, but in many cases it is unsuitable for handling large quantities. For the purchase of special machinery for this purpose, which can be moved from farm to farm in the different producing districts, the Government grants a subsidy amounting to 25 per cent of the cost. In 1932 there were approximately 144 of these large-scale evaporators in use, and this figure has been increased to about 3,000.

Evaporated potatoes are stored in pits lined with brick or stone. For the construction of these pits the State grants subventions of R.M.4 per cubic metre, payable to farmers upon application to the district agricultural schools.

#### EXTERNAL TRADE

Potatoes are of no importance in the foreign trade of Germany. In 1936 total imports amounted to 81,741 metric tons, more than half of which consisted of early varieties from Italy. Exports during the same period were only 17,680 tons. The total values of imports and exports were R.M.9,742,000 and R.M.1,985,000 respectively.

### NETHERLANDS MARKET FOR BUCKWHEAT HONEY

J. A. LANGLEY, CANADIAN TRADE COMMISSIONER

(One kilo equals 2.2 pounds; one metric ton equals 2,205 pounds; one florin equals approximately Can.\$0.55 at the current rate of exchange)

Rotterdam, September 8, 1937.—There is a considerable market in the Netherlands for foreign honey for use by confectioners as an ingredient in cakes and pastry. Figures on domestic production are not available, but the crop is exceedingly small and mostly confined to clover honey for table use. This is not directly competitive with the imported product. Cuba is the principal supplier, followed in 1936 by Mexico, Santo Domingo, the United States, France, and



Canada. Buckwheat honey from the Dominion is known and appreciated, and sales are possible when prices are competitive and supplies available.

The following table shows, by principal countries of origin, imports of honey into the Netherlands in 1936 and the first seven months of the current year:—

Countries of Origin	1936		January-July, 1937	
	M. Tons	Florins	M. Tons	Florins
Total . . . . .	4,492	702,912	3,343	604,000
France . . . . .	244	87,429	102	39,000
Canada . . . . .	215	44,968	....	....
Chile . . . . .	34	5,536	....	....
Costa Rica . . . . .	62	9,918	....	....
Cuba . . . . .	2,132	292,844	2,398	406,000
Santo Domingo . . . . .	473	60,865	....	....
Haiti . . . . .	110	14,208	....	....
Mexico . . . . .	748	101,563	433	71,000
Curacao . . . . .	10	1,175	....	....
Salvador . . . . .	18	2,145	....	....
Surinam . . . . .	24	3,425	....	....
United States . . . . .	256	50,932	92	23,000
Guatemala . . . . .	143	23,531	144	31,000

Practically all honey imported into the Netherlands is of the buckwheat variety. The colours in demand are dark, dark amber, and light amber.

#### PACKING

Barrel packing is preferred by the bakeries and factories where the honey is used. Cuban shippers employ large casks containing 50 gallons of a gross weight of about 550 pounds. New barrels are preferred.

#### PRICES

Domestic honey is mostly put up in glass jars and sold direct by the producers to the retail trade. Prices vary slightly. Buckwheat and clover honey in jars of 1·1 pound is sold by the retailers to the consumers at from 45 cents to 55 cents.

Foreign honey is supplied to Netherlands importers either direct or through the medium of brokers. The importers in turn sell to the confectioners, although several large cake and pastry manufacturers import direct on their own account. Foreign honey is not sold by retailers.

Prices of buckwheat honey at the beginning of September, 1936 and 1937, were as follows:—

	1936	1937
	Per 220 Lbs.	
Cuban, c.i.f. . . . .	\$10.75	\$11.00
Mexican, c.i.f. . . . .	10.75	10.25
French, f.o.b. . . . .	23.65	22.82
Canadian, c.i.f. per lb. . . . .	0.06½	0.07

French honey, which comes principally from Brittany, is regarded as being the standard of the buckwheat type.

#### EXPORTS OF NETHERLANDS HONEY

There are only very small exports of liquid table honey from the Netherlands. In 1936 shipments totalled only 10 metric tons, of which 5 tons were destined for the Netherlands East Indies and 3 tons for the United Kingdom. During the period January to July only 6 metric tons of domestic honey were exported.

#### DUTIES

The Netherlands import duty on honey in bulk is fl.5 per 100 kilos (Can.\$2.75 per 220 pounds), plus 1 per cent ad valorem. When packed in con-

tainers weighing 1.2 kilo (2.64 pounds) or less, the rate is 13 per cent ad valorem plus fl. 27.15 per 100 kilos (Can.\$14.93 per 220 pounds).

Import duties are levied on the c.i.f. value of the merchandise. In addition, there is a turnover tax of 4 per cent on the duty-paid value.

The above rates apply to imports from all sources. There are no preferential duties, import, quota, or payment restrictions. Only the ordinary commercial invoices are required.

### STOCKS

In view of the fact that the domestic honey production is very small, there are never large stocks on hand, as they are usually cleared when the new crop comes on the market.

## IMPORTS OF WHEAT INTO ITALY, JANUARY TO JULY, 1937

Mr. A. B. Muddiman, Canadian Trade Commissioner at Milan, writes under date September 13 that imports of wheat into Italy during the first seven months of 1937 amounted to 1,375,788 metric tons valued at 1,315.7 million lire. Of this total, 218,305 metric tons were temporary imports during the period. The principal supplying countries were: Argentina, 765,000 metric tons; Australia, 258,000; and the Danubian countries, 416,000 metric tons.

## WHEAT FLOUR SUBSTITUTES TO BE USED IN ITALY

A. B. MUDDIMAN, CANADIAN TRADE COMMISSIONER

Milan, September 14, 1937.—By ministerial decree of September 8, provision is made for the use in Italy of adulterated flour. With the approval of the Presidential Committee of the Provincial Council of Corporations, the prefects may insist on the use of wheat flour mixed with flour of other cereals or farinaceous plants in the production of bread. The admixture must not be more than 10 per cent.

This law will not apply to the production and sale of "grissini"; to bread in loaves of not over 60 grams, and to bread for special dietetic purposes. The leavening and baking of all bread for sale must be such that the bread has uniform pores and soft crumb.

Provision is made for the enforcement of the law by the prefects. Mills which produce mixed flours must maintain for inspection by competent authorities a sample of 2 kilos of each of such flours, the respective percentages use to be stated thereon. The said samples must be well conserved and renewed every two months.

This decree will be in force from and after September 11, 1937.

## FOREIGN TRADE OF MEXICO IN 1936

S. G. MACDONALD, ASSISTANT TRADE COMMISSIONER

(3.60 pesos is equivalent to U.S. \$1.)

Mexico City, September 29, 1937.—There was a decided advance in Mexican foreign trade for 1936 as compared with the previous two years. Exports, which amounted to 643,710,297 pesos in 1934 and increased importantly the following year to 750,292,490 pesos, advanced further to 775,313,330 in 1936. It is noteworthy that imports, despite a wide range of tariff increases, showed a greater percentage increment in 1936 totalling 464,142,705 pesos as compared with 406,136,234 pesos in 1935 and 333,273,908 pesos in 1934 respect-



ively. The comparative totals of both exports and imports by main groups for 1936 and 1935, for which statistics are available only, are as follows:—

	Total Exports		Total Imports	
	1935 Pesos	1936 Pesos	1935 Pesos	1936 Pesos
Held in free ports . . . . .	750,292,490	775,313,330	406,136,234	464,142,705
	13,082	77,124	7,566,474	6,910,835
	<u>750,305,572</u>	<u>775,390,454</u>	<u>413,702,708</u>	<u>471,053,540</u>

### Imports

	1935 Pesos	1936 Pesos
Animals and products . . . . .	17,491,737	20,386,534
Vegetables and products . . . . .	28,603,432	35,471,643
Textiles . . . . .	26,338,320	27,947,640
Textile manufactures . . . . .	4,444,930	6,166,733
Minerals and products . . . . .	75,987,889	88,109,193
Drugs and chemicals . . . . .	44,455,831	51,372,115
Machinery, apparatus and instruments for agriculture, industry, mining and arts . . . . .	79,835,996	99,335,014
Machinery, apparatus and instruments for other uses and vehicles . . . . .	69,453,256	96,845,341
Manufactures, sundry . . . . .	28,987,584	38,387,972
Coined gold and silver, bills, shares, etc. . . . .	30,537,259	120,520

### Exports

	1935 Pesos	1936 Pesos
Animals and products . . . . .	15,588,051	16,013,933
Vegetables and products . . . . .	116,096,495	172,615,870
Minerals and products . . . . .	559,328,297	578,901,193
Manufactures, sundry . . . . .	7,557,857	7,467,733
Coined gold and silver, bills, shares, etc. . . . .	51,721,790	314,601

As shown by the foregoing statistics, the greatest advances in imports were made in textile manufactures and machinery of all kinds and vehicles. This reflected the more prosperous condition of the country and particularly the greater activity in industry generally. The percentage increase for drugs and chemicals, although not so great as during the previous year, reflected the heavy demand for chemicals and medicinal products in Mexico. The great fall in the value of imports of coined gold and silver, shares, bills, etc., was equally noteworthy compared with exports of the same commodities, and indicated a different situation to that of 1935, when both imports and exports of these commodities were very large.

With respect to exports, there were increases of importance in vegetables and vegetable products, all of the other categories increasing in value only to a limited extent. The largest increment in 1935 was for animals and products, an advance of about 50 per cent over the preceding year being recorded; in 1936 the increase under this classification was only slightly over 3 per cent.

### DETAILS OF TRADE BY PRINCIPAL COUNTRIES

The following table shows the principal markets for Mexican goods and the main suppliers to Mexico in 1936 and 1935:—

	Imports		Exports	
	1936	1935 Figures in Mexican Pesos	1936	1935
Totals . . . . .	464,142,705	406,136,234	775,313,330	750,292,490
United States . . . . .	274,457,269	265,348,342	471,200,740	471,203,337
Germany . . . . .	71,444,264	48,466,245	82,231,094	52,923,086
Great Britain . . . . .	23,708,900	23,438,262	67,856,617	76,285,844
Spain . . . . .	22,811,329	11,773,081	2,302,237	7,930,470
France . . . . .	16,769,958	16,017,134	16,141,644	17,219,369
Belgium . . . . .	7,470,442	3,876,523	26,213,612	19,904,079
Japan . . . . .	7,324,816	4,901,679	18,485,378	12,364,905

*Imports and Exports by Principal Countries—Concluded*

	Imports		Exports	
	1936	1935 Figures in Mexican Pesos	1936	1935
Switzerland . . . . .	6,349,628	3,741,491	18,252	10,744
Netherlands . . . . .	5,516,025	4,138,450	11,821,672	17,139,897
Canada . . . . .	4,997,870	3,171,123	74,883	92,574
Sweden . . . . .	4,707,461	4,267,509	5,388,995	4,782,287
Dutch East Indies . . . .	3,748,188	484,966	8	70
Czechoslovakia . . . . .	2,318,302	1,742,814	98,882	63,211
Italy . . . . .	2,019,706	5,885,215	1,774,363	7,520,429
Argentina . . . . .	2,005,846	1,220,599	925,876	2,318,073
Australia . . . . .	963,724	676,212	4,503,154	4,956,291
Norway . . . . .	856,405	921,350	3,894,096	3,769,800
Austria . . . . .	848,954	407,168	10,188	12,054
British India . . . . .	738,723	397,028	1,123,494	1,845,118
Poland . . . . .	678,451	601,023	1,263,377	68,987
Denmark . . . . .	500,630	334,154	4,049,071	2,331,359
Portugal . . . . .	418,703	248,849	422,943	866,323
Hungary . . . . .	356,021	325,664	2,009	1,563
Roumania . . . . .	289,931	243,585	230	9,698
British Honduras . . . . .	271,452	55,416	1,083,233	1,162,472
Mozambique . . . . .	261,865	.....	.....	.....
Ceylon . . . . .	261,527	561,770	.....	.....
Egypt . . . . .	254,432	156,980	105,690	168,268
Oceania . . . . .	227,927	255,689	.....	.....
China . . . . .	205,080	199,912	30,182	196,111
Union of South Africa . .	189,489	427,778	158,786	925,392

(The above totals do not include goods held in free ports as, with the exception of those originating in the United States and which amounted to 5,753,144 pesos out of a total of 6,910,835 pesos, the value of the goods held either for import or export for each of the other countries was small).

It is noteworthy that the favourable balance of trade which Mexico had in 1935 with the United States, Germany, Great Britain, France, Belgium, Japan, Netherlands, Norway, British India, Denmark, Australia, and British Honduras was maintained in 1936, and in the case of several countries this balance was increased to a rather important extent, particular examples being Germany, Belgium, Japan, Norway, and Denmark. Conditions in Europe during 1936 were no doubt largely responsible for the increased unfavourable balance with Spain and for the change from an important favourable balance with Italy to an unfavourable one.

#### PRINCIPAL SOURCES OF SUPPLY

In 1936 the United States continued to be the most important supplier of goods from abroad, about 60 per cent of the total imports being credited to that country. The United States in turn purchased approximately the same percentage of the total exports of Mexico. Ranking next to the United States in order of importance in 1936 were: Germany, Great Britain, Spain (fifth in 1935), France (fourth in 1935), Belgium (tenth in 1935), Japan, Switzerland (eleventh in 1935), Netherlands, Canada (twelfth in 1935).

Canada's percentage, which was about 0.75 in 1935, more than doubled in 1936 to 1.7 per cent of the total import trade. In considering the trade between Canada and Mexico it must be borne in mind that much of it is not shown in the Mexican statistics owing to the fact that routing is principally through the United States. Consequently a large part of the trade appears in Mexican records as, in the case of imports, originating in that country and, in the case of exports, as being destined for the United States when the goods are only being handled by some brokerage house for transshipment to Mexico or Canada as the case may be.

This is particularly noteworthy in connection with exports from Mexico to Canada. According to Mexican statistics these amounted to but 74,883 pesos in 1936 and 92,574 pesos in the previous year, while figures issued by



the Dominion Bureau of Statistics show imports into Canada from Mexico of \$948,925 and \$706,466 for the same two respective years. For imports the discrepancy between the two sets of figures is not as great. Mexican statistics show imports from Canada valued at 4,997,870 pesos in 1936 and 3,171,123 in 1935 as compared with the figures of the Dominion Bureau of \$2,588,512 and \$1,800,858 for the same respective years. As soon as figures are available by commodities a detailed analysis will be made of the trade between these two countries.

### TRADE OUTLOOK

There has been a general improvement in Mexico's trade since early in 1934, although a slowing down in the rate of increase was noted in 1935 and was more marked in 1936. The self-sufficiency policy of the Mexican Government has shown beneficial results in many directions, as new industries continued to spring up and there has been a tendency to increase the purchases from abroad of raw and semi-manufactured products and reduce the imports of manufactured goods.

As the foregoing statistics indicate, the import trade of Mexico has been dominated by three countries, namely: the United States, Great Britain, and Germany. Imports from Great Britain, which declined materially in 1935, remained in 1936 slightly above the level for the previous year, but those from Germany advanced importantly over the 1935 level (which had largely increased over that of the previous year) mainly due to the use of the compensation or "aski" mark.

Trade with the United States, which is the most important, increased slightly, but it would appear that more or less of a level has been reached.

Canadian exports to Mexico advanced considerably, and of those products which the United States does not supply in great volume, particularly certain chemicals, newsprint, pulpwood, malting barley, and numerous small articles which are competitive, imports from the Dominion should continue to show annual increases for some time.

## ARGENTINE PRODUCTION OF CASEIN

J. A. STRONG, CANADIAN TRADE COMMISSIONER

Buenos Aires, September 9, 1937.—Argentina is a producer of casein merely because there is no other ready outlet for the skimmed milk from the butter factories. The pig-raising industry is only associated to a limited extent with the dairy industry in Argentina. Commercial pig production is a large-scale industry, the pigs being raised and finished outdoors the year round on alfalfa and corn.

Argentina produced 19,483 metric tons of casein and 31,904 tons of creamery butter in 1936. Of the casein production, 11,149 tons were contributed by the butter factories in Buenos Aires. Production of casein amounted to 17,274 tons in 1935, and the last five-year average was 18,781 tons. It is an export industry almost exclusively, shipments amounting to 19,933 tons in 1936 as compared with 17,064 tons in 1935. Domestic consumption was estimated at 250 tons last year.

### EXPORTS

World exports of casein were 33,374 tons in 1935 and 40,239 tons in 1936, of which Argentina supplied 53 and 50 per cent respectively. In 1936 France contributed 38 per cent; New Zealand, 10 per cent; and Australia, 2 per cent.

Argentina produces mainly lactic casein, although there is a small production of edible casein and rennet for export. The principal export markets, with the quantities taken in 1936, are as follows: Germany, 6,634 tons; United Kingdom, 5,339 tons; Japan, 1,255 tons; North America (principally the United States), 2,796 tons; and all others, 3,909 tons.

Casein prices are subject to wide fluctuations in Argentina, due to inelasticity in the production. Quotations f.o.b. cars Buenos Aires fell to \$30 Canadian per ton of 2,205 pounds in 1932, but recovered sharply to \$186 in 1933. At the beginning of this year quotations were \$270, but fell again to \$180 per ton in May last. Prices have improved again in recent months.

## POTATO SITUATION IN URUGUAY

J. A. STRONG, CANADIAN TRADE COMMISSIONER

Buenos Aires, September 3, 1937.—As a potential outlet for seed potatoes Uruguay may be considered as a geographical division of the Argentine market, and sales possibilities should be considered in relation to the 1935-36 potato crop failure in Argentina.

Uruguay produces two crops of potatoes annually, and it has always been accepted that only two crops can be produced without renewal of the seed stock. The main crop is planted in August and the second in February. In the past Uruguay has always obtained her seed requirements from the Balcarce district in southern Argentina. Consequently, under normal conditions, producers in Argentina regard Uruguay as a logical outlet for their seed potato surplus.

Argentina shipped 603,650 crates (of 110 pounds) of seed and table stock to Uruguay in 1935, but due to the 1935-36 crop failure in the former country, the latter was deprived of a source of cheap and ready supplies, and until Argentina is again in a position to export acceptable seed, Uruguay will be obliged to purchase her requirements from North America and Europe. The first purchase of potatoes from Canada, made in the fall of 1935, amounted to 2,490 crates, which were used for the February planting in 1936. This initial purchase of Canadian seed was made under emergency conditions and was prompted by the results that had been obtained from experimental lots of seed that had been introduced into Argentina from Canada in previous years.

Uruguay has a population of 2,066,000, but the bulk of the commercial potato crop is consumed in the capital, Montevideo, which has a population of over 600,000. With the normal yields and relatively low prices prevailing prior to 1936, Uruguay can consume the crop from 30,000 acres; last year only 25,000 acres were planted. The yields were low and prices correspondingly high, with the result that the aggregate consumption of table stock was much below normal.

### POTATO IMPORTS

Uruguay imported 557,960 crates of potatoes in 1934, of which 520,140 came from Argentina. These imports included 213,500 crates of seed, the remainder being table stock. In 1935 Argentina supplied 603,650 crates including 184,020 of seed.

Imports during 1936 aggregated 339,680 crates, of which 32,920 were admitted as certified seed and 306,760 as table stock. The sources of supply for the 32,920 crates of seed were as follows: Argentina, 11,660 crates; Denmark, 6,070; Germany, 5,012; United States, 4,350; United Kingdom, 2,188; Canada, 1,080; and New Zealand, 440 crates. Smaller lots were imported from Holland, France, Poland, and Esthonia. No doubt a large quantity of imported table stock was planted.

The Department of Agriculture in Uruguay has a general seed division which has been carrying on experimental work in potatoes since 1935.



## VARIETIES IN DEMAND

Uruguay has had experience during the past two years with practically all the well-known varieties from both North America and Europe. Denmark and Germany have been the main sources of supply for seed apart from Argentina, but while the yields obtained from the German varieties have been exceptionally high, these potatoes are not particularly favoured by consumers in the market. Competition this year will be on a basis similar to that prevailing in the Argentine market. Canadian supplies will have to compete with those from Europe, including Denmark and Germany, but there may be a demand from Uruguay for some Katahdins as well as Green Mountains.

## SELLING CONNECTIONS

A large percentage of the potato shipments to Uruguay are sold through importers in Buenos Aires who have branches in Montevideo; already this year one large order has been placed in this way. In addition, the agents in Argentina of Canadian exporters solicit business for direct shipment to Uruguay. Consequently the market in Uruguay offers a very limited field for direct sales from Canada.

Seed potatoes should be packed in ventilated crates for Uruguay.

## DUTIES AND DOCUMENTS

Potatoes have been admitted into Uruguay free of duty since September, 1936. Formerly this exemption applied only to seed potatoes under special authority issued by the Ministry of Industries.

Seed potatoes must be accompanied by the usual shipping documents, consisting of bill of lading (*viséd*), declaration and certificate of origin (*viséd*), and commercial invoice. A health certificate and a certificate issued by the Government of the country of origin guaranteeing that the seed is from selected stock are also required. These documents also must be *viséd* by the Uruguayan consul.

Under the exchange control system all shipments must be covered by a special import permit, which is issued to the importer by the exchange authorities in Uruguay. Exporters should ensure that this permit has been secured, as otherwise the potatoes cannot be cleared through the customs. However, since potato business is done on a letter of credit basis only, the risk would be for the buyer in respect of this permit.

## CURRENT MARKET OUTLOOK

The chief difficulty confronting exporters of seed to Uruguay arises from the fact that it is required principally for planting the main crop in August, before the new crop is available in countries in the northern hemisphere and when the season is unfavourable for shipping, due to the risk of arrival in poor condition. The Argentine crop in the Balcarce district is harvested in April-May, which under normal conditions suits Uruguay. Two years ago Uruguay imported first reproduction Bliss Triumphs from Louisiana. These potatoes arrived in July, and results were satisfactory for the one crop only; last year none was available from that source. This year Uruguay purchased a fair quantity of old stock Canadian seed, part of which arrived in June in a satisfactory condition.

Uruguay will depend this year largely on seed imports from North America and Europe for planting the minor crop next February. Seed from this crop will then be available for planting the main crop in August, 1938. Consequently it will not be necessary for the imported seed to arrive before December. There is not a sufficient volume of business offering from Uruguay to make possible full cargo shipments from Canada, so that exporters would have to ship via the ordinary steamers out of New York.

## TRADE AGREEMENT BETWEEN CANADA AND GUATEMALA

A Trade Agreement between Canada and Guatemala, signed on September 28, 1937, at Guatemala, provides for exchange of unconditional and unrestricted most-favoured-nation treatment in customs duties and subsidiary charges on the products of each country imported into the other. Exception is made as regards preferences granted by Canada to other parts of the British Empire and any advantages accorded by Guatemala to other Central American republics.

Each country undertakes not to impose prohibitions or restrictions on imports from the other which are not applied to the importation of any like article originating in a third country. In the event of quantitative restrictions being established by either country, it is agreed that in the quantity of restricted goods which may be authorized for importation the other country will be granted a share equivalent to the proportion of the trade which it enjoyed in a representative period prior to the establishment of such quantitative restriction.

If the Government of either country should establish or maintain, directly or indirectly, any form of control of foreign exchange, it shall administer such control so as to ensure that the nationals and commerce of the other country will be granted a fair and equitable share in the allotment of exchange.

National treatment is guaranteed by each country with respect to internal taxes, fees, charges, or exactions. Exception to national treatment is made in Canada with regard to imports of leaf tobacco, spirits, beer, malt and malt syrup imported from abroad and to special excise taxes imposed under existing provisions of the Special War Revenue Act. In these respects, however, most-favoured-nation treatment is to apply.

At the same time as the above Trade Agreement was signed an Exchange of Notes took place constituting an agreement for the provisional exchange of most-favoured-nation treatment as from October 14, 1937, pending the coming into force of the Trade Agreement, which will require the ratification and approval of the Parliament of Canada.

A Guatemalan law of January 25, 1936 (renewing with slight changes a surtax law of January 26, 1935), provides for increasing by 100 per cent the customs duties and other taxes on goods of those countries whose commercial balance with Guatemala is adverse to the latter and which have increased their imports into that country during 1935 by 100 per cent or more by volume as compared with 1934. Under the new agreement between Canada and Guatemala, Canadian products are exempted from this surcharge. Another advantage to Canada under the new agreement is the securing of reductions in duty accorded by Guatemala to the United States under an agreement between these two countries which came into force on June 15, 1936. Among the goods benefiting by duty reductions under this agreement are: canned salmon, sardines, shell-fish, and other fish; powdered milk; oatmeal and similar cereal products; certain fresh, refrigerated, and salted meats; passenger automobiles; rubber tires and tubes; furniture of iron and steel; radio apparatus. Guarantees against increase of existing duties are made with respect to: wheat and flour, condensed milk, butter, cheese, canned fruits and vegetables, patent leather, silk hosiery, and some other products.

Canada's total exports to Guatemala in the fiscal year ended March 31, 1937, amounted to \$102,173 as compared with \$89,488 in the previous year. The chief Canadian export in the last fiscal year was flour valued at \$63,193, followed by rubber tires and tubes, \$7,159; cyanamid, \$5,403; farm implements and machinery, \$3,695; tallow, \$3,441; cotton manufactures, \$3,179; silk socks and stockings, \$2,213; paper, \$1,749; oilcloth, \$1,695; rubber belting, \$1,302; brushes, \$1,079; and alcoholic beverages, \$1,029. Imports into Canada from Guatemala in the fiscal year ended March 31, 1937, totalled \$29,696 and in the previous year \$16,131. Practically all imports consisted of coffee.



Formerly tariff relations between Guatemala and Canada were based on a Treaty of Commerce and Navigation between the United Kingdom and Guatemala of February 22, 1928. Under Article 13 of this Treaty the Guatemalan Government undertook to accord most-favoured-nation treatment to goods the produce or manufacture of the British dominions on condition that goods the produce or manufacture of Guatemala received most-favoured-nation treatment in the dominions. This article was accepted on behalf of Canada by an Order in Council dated July 20, 1935, which granted Guatemala most-favoured-nation treatment. The Anglo-Guatemalan Treaty was, however, denounced by Guatemala and ceased to have effect on August 30, 1936.

## TENDERS INVITED

### New Zealand

Copies of specifications have been received from Mr. W. F. Bull, Canadian Government Trade Commissioner at Auckland, for equipment required by the Public Works Department, Wellington. These specifications are open for inspection at the Department of Trade and Commerce, Ottawa. Tenders should be addressed to the Secretary, Public Works Supplies and Tenders Committee, Wellington, in accordance with these specifications.

Particulars are as follows:—

*Public Works Department.*—Section 580, Arapuni Scheme: 500 galvanized steel transmission line towers, complete with cross arms, ground stubs and accessories, to specification and conditions of contract (tenders close January 25, 1938).

## TARIFF CHANGES AND CUSTOMS REGULATIONS

### Australia

#### TARIFF DECISIONS

Decisions of the Australian Department of Customs as to the classification of articles regarding which question had been raised include the following:—

Hand-operated valve grinders of the reciprocating type, 45 per cent ad valorem under British preferential tariff, 65 per cent ad valorem under general tariff. (Item 176F1.) The British preferential rate is subject to a reduction on account of Australian exchange depreciation.

Bitsaws, also known as gimlet saws, free of duty under British preferential tariff, 15 per cent ad valorem under general tariff. (By-law under Item 219C.)

Steel keys of the type used to lock a wheel to a driving shaft by fitting into companion slots on the shaft and wheel, 45 per cent ad valorem under British preferential tariff, 65 per cent ad valorem under general tariff. (Item 208A2.) The British preferential rate is subject to a reduction on account of Australian exchange depreciation.

Shims for use on railway, tramway, or similar tracks, either of tempered steel tapered or wrought iron for use in connection with the thermit welding of rails, free of duty under British preferential tariff, 15 per cent ad valorem under general tariff. (By-law under Item 415A2.)

Paper-stapling appliances, using ready-made staples and having a base incorporating a fixture for turning the points of the staple, free of duty under British preferential tariff, 15 per cent ad valorem under general tariff. (By-law under Item 415A2.)

Sheets consisting of paper impregnated with synthetic resin and then compressed in the form of a flexible opaque sheet, used principally in the manufacture of dials for wireless receiving sets, are ruled to be "unspecified goods," free of duty under all tariffs.

Cartridge paper for use in the manufacture of shells for shotgun cartridges, free of duty under British preferential tariff, 15 per cent ad valorem under general tariff. (By-law under Item 404.)

Leathercloth prepared with substances other than rubber, oil, celluloid, or nitro-cellulose, 25 per cent ad valorem under British preferential tariff, 50 per cent ad valorem under general tariff. (Item 105J1.)

Felt (so-called), being woven cotton material used for the manufacture of slipper uppers, 4½d. per pound under British preferential tariff, 1s. 1½d. per pound when from "most-favoured"

countries, 1s. 2½d. per pound when from other non-British countries, or if higher than these specific rates, 15 per cent, 30 per cent, and 33½ per cent ad valorem respectively, all rates being subject to increase as Australian exchange depreciation may be lessened. (Item 105F4a.) Formerly such material was dutiable under Item 105F5, of which the rates are now 25 per cent, 42½ per cent, and 48½ per cent ad valorem under respective tariffs.

Canadian goods accompanied by the prescribed certificate of origin and shipped in accordance with Australian regulations are entitled to British preferential tariff rates under all the items quoted above.

## New Zealand

### TARIFF DECISIONS

Recent New Zealand decisions as to the tariff classification of articles regarding which question had been raised, include the following:—

Port Orford cedar and Douglas fir timbers, whether rough sawn, dressed, or in the form of veneers, on declaration by a manufacturer that they will be used by him solely in the manufacture of separators for electric storage batteries, are admissible under Item 448, free of duty under both British preferential and general tariff.

Rubber-faced metal pulleys for use as friction drives on the spindles of electric motors are approved for admission under Item 352, free of duty under the British preferential tariff, 20 per cent ad valorem when from "most-favoured" countries, and 25 per cent ad valorem when from other non-British countries.

Cardboard tubing for use in the manufacture of cardboard boxes for face powder, etc., is placed under Item 268, at 20 per cent ad valorem under the British preferential tariff and 50 per cent ad valorem under the general tariff.

Imitation parchment cut to shape for the manufacture of lamp shades is under Item 225, at 20 per cent ad valorem under the British preferential tariff, 40 per cent ad valorem when from "most-favoured" countries, and 45 per cent ad valorem when from other non-British countries.

"Feltex," marbled, being floor covering of felt with a mottled or marbled effect in colours, is under Item 159 (1) at 20 per cent ad valorem under the British preferential tariff, 45 per cent ad valorem when from "most-favoured" countries, and 50 per cent ad valorem when from other non-British countries.

The following smoothing irons are approved for admission under tariff item 352, free of duty under the British preferential tariff, 20 per cent ad valorem when from "most-favoured" countries and 25 per cent ad valorem when from other non-British countries. Laundry and similar irons, weight 14 pounds or over; tailors' and similar irons specially shaped for use by tailors or by pressers in laundries; stands, tables, and "bucks" specially suited for use with irons in laundries, including the irons when imported therewith as standard equipment therefor. Electric and electric-steam irons, other than those above classed under Item 352, also spare elements therefor, are under Item 338 (10) at 20 per cent ad valorem under the British preferential tariff, 40 per cent ad valorem when from "most-favoured" countries, and 45 per cent ad valorem when from other non-British countries. Steam irons for laundry use, other than those classed under Item 352, are under Item 356 (1) at 20 per cent ad valorem under the British preferential tariff and 50 per cent ad valorem under the General tariff, applicable to all non-British countries. (Former decisions, now cancelled, placed tailors' irons including tailors' electric irons under Item 354, free of duty under the British preferential tariff and 25 per cent ad valorem under the general tariff; other electric irons and spare elements therefor, also electric-steam irons, were formerly under Item 338 (10); and all steam irons for laundry use were under Item 356 (1).)

Canadian products classified under any of the items quoted above, if accompanied by the prescribed certificate of origin and shipped in accordance with New Zealand regulations, are admissible under the British preferential tariff. The "most-favoured" countries referred to above are Argentina, Austria, Belgium, Brazil, China, Czechoslovakia, Egypt, Finland, Germany, Greece, Hungary, Italy, Japan, Norway, Spain, Sweden.

## Palestine

### WHEAT DUTIES AND QUOTAS

The Palestine tariff on wheat was revised by Customs Orders No. 8 of June 21 and No. 9 of July 26. It now contains a new item for "hard wheat (*triticum durum*)," on which the duty is £3 per metric ton (40 cents per bushel), except that *triticum durum* wheat from Syria is duty-free under a trade agreement. Other



wheat, both hard and soft, valued at £9 per ton (about \$1.20 per bushel) or over is exempt from duty. For the period July 29, 1937, to September 30, 1937, the Director of Customs on July 13 fixed the value of soft wheat at £11 per ton and other wheat, exclusive of "hard wheat (*triticum durum*)," at £13½ per ton. When wheat is valued under £9 per ton, a sliding scale of duties is provided beginning at £¼ per ton for wheat valued at £8¾ per ton and increasing by £¼ per ton for each £¼ decrease in value, until a duty of £4¼ per ton is reached, applicable to wheat valued under £5 per ton.

Imports of wheat continue to be limited by quotas. Wheat quotas, in conjunction with flour quotas, are published quarterly. In the third quarter of 1937 the wheat quota consisted of 2,000 tons of soft wheat. For the fourth quarter—i.e., October, November, and December—the quota is 1,000 tons of soft wheat and 2,000 tons of hard wheat other than durum. The quotas apply to the total quantities of the varieties (durum, hard, soft) to be imported, and are not allocated to individual countries. In other words, holders of import permits are free, within the limit of the quotas established, to purchase where they like.

### Johore

#### TARIFF CHANGES

Mr. K. F. Noble, Acting Trade Commissioner in the Singapore office, advises that the State of Johore, Unfederated Malay States, has, effective from September 1, 1937, reduced the general tariff on milk products from S\$0.05 to S\$0.04 per pound net content; and the general tariff on "fruits, vegetables and fish in metal, glass or earthenware containers" from 20 per cent to 15 per cent. Both remain duty free under the British preferential tariff. "Jams, marmalade, soups and meats in tin, glass and pot or earthenware" have been placed on the list of products free from all sources, whereas previously these items were dutiable at 20 per cent under the general tariff and free under the preferential tariff. (\$ Straits equals 58 cents Canadian.)

### Dominica

#### LICENCE FEE FOR COMMERCIAL TRAVELLERS

The Dominica Trade and Professional Licences Ordinance, effective July 1, 1937, requires "any person who exercises the calling or profession of a travelling agent by showing samples of goods or soliciting customs on behalf of a commercial firm" to obtain a licence from the Colonial Treasurer. The fee for this licence is £2 on each visit to the Presidency.

### Mexico

#### INCOME TAX LAW AMENDMENT

Mr. R. T. Young, Canadian Trade Commissioner in Mexico, advises that an amendment in Article 14 of the Mexican Income Tax Law, effective as from September 15, provides for the payment of the income tax on gross annual income after deducting 65 per cent of such income. Previously some doubt seems to have existed as to whether net or gross income was meant, but the wording of the present amendment would appear to clarify this point in that gross income is intended. The total tax, however, is in no case to exceed 3 per cent of the total gross income, the final accounting or determination of the income tax due to be based upon the annual return of the tax-payer, to be made before March 31 of each year.

The importance of this law to Canadian exporters is the method of collection, which is somewhat radical in that it involves the payment of the 3 per cent in advance, calculated on the net value of the merchandise as invoiced, but when the annual income tax return is rendered, all amounts not applicable to final

payment of the tax will be returned to the tax-payer. The 3 per cent advance tax, in addition to the 5 per cent ad valorem already being paid as advance customs duties making in all 8 per cent, is to be paid to Mexican Consular offices on the presentation of the usual commercial invoices for legalization and, where there are no Consular offices, the advance tax is payable at Mexican Customs houses at port of entry; in the case of parcel post, at the Mexican post office of destination. Mexican Consuls will make an entry of the tax paid on two copies of the invoices submitted, and Mexican customs houses are instructed not to pass merchandise unless the above-noted requirements have been fulfilled.

#### WHEAT NOT EXEMPT FROM DUTY IN LOWER CALIFORNIA

Mr. S. G. MacDonald, Assistant Trade Commissioner in Mexico City, reports under date October 1 that in addition to the commodities listed, wheat is also excluded from the provisions of a law effective July 1, 1937, whereby duty-free admission of merchandise was provided for in the northern territory of Lower California, Mexico (see *Commercial Intelligence Journal* No. 1755: September 18, 1937, page 536).

### Brazil

#### TARIFF ON ASBESTOS AMENDED

A Brazilian law published August 27, 1937, reduces the duty on raw asbestos and increases the duty on certain asbestos manufactures. The former and new rates under the minimum tariff (applicable to imports from Canada) are as follows:—

	Former Duty Milreis per Kg. (2.204 Lbs.)	New Duty
Asbestos, raw . . . . .	5.460	4.680
Asbestos in fibre . . . . .	7.460	4.860
Tiles and roofing sheets of any form or shape with composition of cement or similar product . . . . .	0.330	0.400
Pipes, gutters and the like with composition of cement or similar product . . . . .	0.820	0.980
Asbestos not classified elsewhere in the tariff, combined with cement or any other similar product . . . . .	1.090	1.310

The law provides further that enterprises operating in Brazil a fibre-cement industry (a product of cement and asbestos) will be granted a reduction, under certain conditions, of 80 per cent in the duty on fine foreign asbestos in the form of flexible and resistant fibres of a length more than 5 millimetres, of types not similar to those produced in Brazil. (Milreis at present equals 6.18 cents Canadian.)

### Japan

#### IMPORT PROHIBITIONS AND RESTRICTIONS

Mr. C. M. Croft, Commercial Secretary, Canadian Legation, Tokyo, cables that a Japanese ordinance, gazetted October 11, prohibits importation of goods listed in 269 tariff items, those of chief interest to Canada being: macaroni, vermicelli, and the like—Item 48; meats (other than fresh beef, fresh pork, and preserved meats in tins, bottles, or jars)—Item 52; condensed milk—Item 55; wallpaper—Item 369; articles for billiards, tennis, cricket, chess and other games, and accessories therefor—Item 640. Restriction of imports is provided under other tariff items: cotton in the seed or ginned—Item 271; sheep's wool, goats' and camels' hair—Item 282; wood and timber—Item 612. The cablegram states that goods already in transit are not affected.



## FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING OCT. 12, 1937

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Tuesday, October 12, and for the week ending Monday, October 4, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Oct. 4	Nominal Quotations in Montreal Week ending Oct. 12	Official Bank Rate
Austria . . . . .	Schilling	.1407	\$ .1879	\$ .1880	3½
Belgium . . . . .	Belga	.1001	.1684	.1684	2
Bulgaria . . . . .	Lev	.0072	.0129	.0129	6
Czechoslovakia . . . . .	Krone	.0296	.0350	.0350	3
Denmark . . . . .	Krone	.2680	.2212	.2211	4
Finland . . . . .	Markka	.0252	.0219	.0219	4
France . . . . .	Franc	.0392	.0330	.0331	3½
Germany . . . . .	Reichsmark	.2382	.4013	.4014	4
Great Britain . . . . .	Pound	4.8666	4.9547	4.9552	2
Greece . . . . .	Drachma	.0130	.0091	.0091	6
Holland . . . . .	Guilder	.4020	.5528	.5525	2
Hungary . . . . .	Pengo	.1749	.2950	.2954	4
		Unofficial	.1974	.1973	—
Italy . . . . .	Lira	.0526	.0526	.0525	4½
Jugo-Slavia . . . . .	Dinar	.0176	.0230	.0230	5
Norway . . . . .	Krone	.2680	.2489	.2488	4
Poland . . . . .	Zloty	.1122	.1889	.1888	5
Portugal . . . . .	Escudo	.0442	.0449	.0448	4½
Roumania . . . . .	Leu	.0060	.0074	.0074	4½
Spain . . . . .	Peseta	.1930	.0633	.0633	5
Sweden . . . . .	Krona	.2680	.2555	.2553	2½
Switzerland . . . . .	Franc	.1930	.2298	.2299	1½
United States . . . . .	Dollar	1.0000	1.0000	.9995	1
Mexico . . . . .	Peso	.4985	.2775	.2774	4-5
Cuba . . . . .	Peso	1.0000	.9992	.9987	—
Guadeloupe . . . . .	Franc	.0392	.0330	.0331	—
Jamaica . . . . .	Pound	4.8666	4.9647	4.9652	—
Martinique . . . . .	Franc	.0392	.0330	.0331	—
Other British West Indies	Dollar	1.0138	1.0323	1.0323	—
Argentina . . . . .	Peso (Paper)	.4245	.3303	.3301	3½
		Unofficial	.2980	.2989	—
*Brazil . . . . .	Milreis	.1196	.0618	.0600	—
British Guiana . . . . .	Dollar	1.0138	1.0323	1.0323	—
Chile . . . . .	Peso	.1217	.0517	.0517	4½
Colombia . . . . .	Peso	.9733	.5699	.5696	4
Peru . . . . .	Sol	.2800	.2600	.2599	6
Venezuela . . . . .	Bolivar	.1930	.3137	.3136	—
Uruguay . . . . .	Peso	1.0342	.7893	.7906	—
South Africa . . . . .	Pound	4.8666	4.9485	4.9490	3½
Egypt . . . . .	Pound (100 Piastres)	4.9431	5.0800	5.0676	—
China (Shanghai) . . . . .	Dollar	.....	.2955	.2949	—
Hongkong . . . . .	Dollar	.....	.3098	.3094	—
India . . . . .	Rupee	.3650	.3741	.3739	3
Japan . . . . .	Yen	.4985	.2885	.2884	2.92
Java . . . . .	Guilder	.4020	.5528	.5525	—
Siam . . . . .	Baht (Tical)	.4424	.4542	.4539	—
Straits Settlements . . . . .	Dollar	.5678	.5811	.5806	—
Australia . . . . .	Pound	4.8666	3.9640	3.9641	3
New Zealand . . . . .	Pound	4.8666	3.9960	3.9961	2

\* Unofficial:

The Dominion Bureau of Statistics has supplied the following note:—

The French franc registered moderate recovery a week after its latest decline on October 2. It is of interest that similar recovery followed after about the same interval subsequent to the preceding break in mid-September. Sterling continued to hold just above \$1.95, where it has been since October 1. New York funds at Montreal dropped to a small fractional discount on October 5, and have remained slightly below par since that time. Gold shipments to the United States were discontinued early in October.

## TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—Secretary, Board of Trade—

Saint John, N.B.  
Halifax, N.S.  
Quebec, P.Q.  
Montreal, P.Q.  
Toronto, Ont.

Chatham, Ont.  
Kitchener, Ont.  
Stratford, Ont.  
Woodstock, Ont.  
St. Mary's, Ont.

Portage la Prairie, Man.  
St. Boniface, Man.  
Winnipeg, Man.  
Vancouver, B.C.  
New Westminster, B.C.

Secretary, Chamber of Commerce—

Sherbrooke, P.Q.  
Kingston, Ont.  
Oshawa, Ont.

Belleville, Ont.  
Peterborough, Ont.  
London, Ont.

Hamilton, Ont.  
Victoria, B.C.  
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

Secretary, Canadian Manufacturers Association—

Toronto, Ont.  
Montreal, P.Q.

Winnipeg, Man.  
Edmonton, Alta.

Vancouver, B.C.  
Victoria, B.C.

The Maritime Provinces Trade Commissioner, 122 Federal Building, Toronto, Ont.

The Bureau of Provincial Information, Victoria, B.C.

**Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.**

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Miscellaneous—</b>			
Pilchard Meal.....	701	Liverpool, England.....	Purchase.
Dresses (Women's and Misses')..	702	Cape Town, South Africa..	Agency.
Half Hose (Men's).....	703	Cape Town, South Africa..	Agency.
Fruit Wrappers (Sulphite).....	704	Glasgow, Scotland.....	Agency.
Papers (Printing and Bank).....	705	Cape Town, South Africa..	Purchase.
Perfumed Paint (for Clothes Closets, Chests, etc.).	706	Auckland, New Zealand...	Agency.
Mop Yarns.....	707	Auckland, New Zealand...	Agency.

## PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

### From Montreal

*To Liverpool.*—Duchess of Atholl, Oct. 22; Duchess of York, Oct. 29; Duchess of Richmond, Nov. 5; Duchess of Bedford, Nov. 12—all Canadian Pacific; Antonia, Cunard-White Star Line, Oct. 22 and Nov. 19.

*To London.*—Beaverford, Oct. 22; Beaverdale, Oct. 29; Beaverbrae, Nov. 5; Beaverburn, Nov. 12; Beaverhill, Nov. 19—all Canadian Pacific; Ascania, Oct. 22; Aurania, Oct. 29; Alaunia, Nov. 5; Ausonia, Nov. 12—all Cunard-White Star Line; Tindefjell, Oct. 25; Makefjell, Nov. 5; Rutenfjell, Nov. 15—all Fjell Line.

*To Manchester.*—Manchester Brigade, Oct. 21; Manchester City, Oct. 28; Manchester Citizen, Nov. 4; Manchester Regiment, Nov. 11; Manchester Commerce, Nov. 18—all Manchester Line.



*To Southampton.*—Montrose, Oct. 30; Duchess of Richmond, Nov. 25—both Canadian Pacific.

*To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—Boston City, Oct. 25; New York City, Nov. 12; Bristol City, Nov. 27—all Bristol City and Dominion Lines; Dorelian, Nov. 4; Dakotian, Nov. 20—both Cunard-Donaldson and Dominion Lines.

*To Glasgow.*—Delilian, Oct. 22; Letitia, Oct. 29; Sulairia, Nov. 5; Athenia, Nov. 12—all Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Cairnglen, Oct. 20; Cairmmona, Nov. 3; Cairnross, Nov. 10; Cairnvalona, Nov. 17; Cairnesk, Nov. 24—all Cairn-Thomson Line.

*To Aberdeen and Hull.*—Kelso, Nov. 1; Kyno, Nov. 3; Consuelo, Nov. 24—all Ellerman's Wilson Line.

*To Dublin and Belfast.*—Lurigethan (does not call at Belfast), Oct. 20; Torr Head (does not call at Dublin), Oct. 22; Kenbane Head, Nov. 6—all Head Line (cargo accepted for Cork).

*To Antwerp and Havre.*—Beaverdale, Oct. 29; Beaverbrae, Nov. 5; Beaverburn, Nov. 12; Beaverford, Nov. 26—all Canadian Pacific (do not call at Havre); Tindefjell, Oct. 25; Makefjell, Nov. 5; Rutenfjell, Nov. 15—all Fjell Line (do not call at Havre); Flint II, Nov. 14; Grey County, Nov. 27—both County Line.

*To Rotterdam.*—Hada County, Nov. 7; August, Nov. 26—both County Line; Tindefjell, Oct. 25; Makefjell, Nov. 5; Rutvenfjell, Nov. 15—all Fjell Line.

*To Hamburg and Bremen.*—Beaverford, Oct. 22; Beaverhill, Nov. 19—both Canadian Pacific (do not call at Bremen); Bochum, Hamburg-American Line, Nov. 12.

*To Copenhagen, Gothenburg and Baltic Ports.*—Ragnhildsholm, Oct. 18; Vasaholm, Nov. 3—both Swedish-America-Mexico Line.

*To Marseilles, Genoa, Naples, Messina, Palermo, Lisbon and Leghorn.*—Capo Olmo, Oct. 30; Capo Noli, Nov. 20—both Capo Line.

*To St. John's, Nfld.*—Belle Isle (also calls at St. Pierre-Miquelon), Newfoundland-Canada SS. Co., Oct. 22 and Nov. 5; Eikhaug (calls at Bay Roberts, Carbonear, Harbor-Grace and Port Union), Nov. 1; Imogene, Nov. 4 and 24—both Shaw SS. Co. Ltd.

*To Corner Brook, Nfld.*—New Northland, Clarke SS. Co., Oct. 27 and Nov. 10.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Cornwallis, Oct. 28; Colborne, Nov. 11; Chomedy, Nov. 25—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Hamilton (Bermuda), Nassau (Bahamas), Kingston (Jamaica) and Belize (British Honduras).*—Cathcart (does not call at Hamilton or Nassau), Oct. 22; Lady Rodney, Oct. 27; Cavellier (does not call at Hamilton or Nassau), Nov. 5; Lady Somers, Nov. 10—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad, Demerara and Paramaribo.*—A steamer, Ocean Dominion SS. Corp., Oct. 23 and Nov. 8 (calls at Guadeloupe and Martinique if sufficient cargo offered).

*To Brisbane, Sydney and Melbourne.*—Port Montreal (calls at Adelaide if sufficient inducement offers), Oct. 27; Surrey, Nov. 23—both Montreal-Australia-New Zealand Line.

*To Sierra Leone, Walvis Bay, Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques and Beira.*—Idomeneus (does not call at Sierra Leone, Lourenco Marques or Beira), Oct. 23; Ebani (does not call at Walvis Bay), Oct. 30—both Elder-Dempster Lines Ltd.

*To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Singapore, Madras, Rangoon and Calcutta.*—City of Cardiff, Oct. 28; City of Worcester, Nov. 18—both Canada-India Service.

*To Manila, Hongkong and Dairen.*—City of Eastbourne, Ellerman & Bucknell SS. Co., Oct. 30.

*To Santos and Buenos Aires.*—Rena, International Freighting Corp., Oct. 22; Dagfred (does not call at Santos), Guardiaz Line, Oct. 29.

### From Quebec

*To Southampton.*—Empress of Britain, Canadian Pacific, Oct. 23 and Nov. 6.

### From Saint John

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Drake, Oct. 27; Lady Nelson, Nov. 10; Lady Hawkins, Nov. 24—all Canadian National.

*To Kingston and Jamaican Outports.*—A steamer (cargo accepted for transshipment to Central and South American ports), United Fruit Co., Oct. 23.

### From Halifax

*To Liverpool.*—Manchester Exporter, Nov. 1; Manchester Division, Nov. 20—both Manchester Line; Nova Scotia, Oct. 26; Newfoundland, Nov. 13—both Furness Line.

*To London.*—Boschdyk, Nov. 1; Beemsterdyk, Nov. 19—both Holland-America Line; Artigas, Oct. 27; Capulin, Nov. 10; City of Flint, Nov. 24—all American Hampton Roads.

*To Manchester.*—Manchester Port, Oct. 17; Manchester Brigade, Oct. 24; Manchester City, Oct. 31; Manchester Citizen, Nov. 7; Manchester Regiment, Nov. 14; Manchester Commerce, Nov. 21—all Manchester Line.

*To Newcastle and Leith.*—Cairnmona, Nov. 6; Cairnross, Nov. 13; Cairnvalona, Nov. 20—all Cairn-Thomson Line; Artigas, Oct. 27; Capulin, Nov. 10; City of Flint, Nov. 24—all American Hampton Roads (call at Dundee and Hull but not at Newcastle).

*To Aberdeen, Newcastle and Hull.*—Cavallo, Ellerman's Wilson Line, Nov. 2.

*To Cardiff, Bristol and Swansea.*—Boston City, Oct. 28; New York City, Nov. 15—both Bristol City and Dominion Lines.

*To Rotterdam.*—Boschdyk, Nov. 1; Beemsterdyk, Nov. 19—both Holland-America Line.

*To Hamburg and Bremen.*—Artigas, Oct. 27; Capulin, Nov. 10; City of Flint, Nov. 24—all American Hampton Roads.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Fort Amherst, Oct. 18 and Nov. 1; Fort Townshend, Oct. 25—both Furness-Red Cross Line; Kongshaug, Newfoundland-Canada SS. Ltd., Oct. 18 and Nov. 1; Nova Scotia, Oct. 26; Newfoundland, Nov. 13—both Furness Line (do not call at St. Pierre); Portia (does not call at St. Pierre), Newfoundland Ry. and SS. Co., Oct. 20 and Nov. 3.

*To Kingston (Jamaica) and Belize (British Honduras).*—Cathcart, Oct. 25; Cavalier (calls at Hamilton and Nassau), Nov. 8—both Canadian National.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Hawkins, Oct. 21; Lady Drake, Nov. 4; Lady Nelson, Nov. 18—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer, Ocean Dominion SS. Corp., Oct. 28 and Nov. 13.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Chomedy, Oct. 18; Cornwallis, Nov. 1; Colborne, Nov. 15—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Bermuda, West Indies, and Demerara.*—A steamer, Pickford & Black Ltd., Oct. 27 and Nov. 10.

*To Santiago (Cuba) and Kingston (Jamaica).*—Ciss, Oct. 20; Kirsten B, Nov. 3—both Pickford & Black Ltd.

*To Yokohama, Kobe, Shanghai, Hongkong, Manila, Cebu and Java.*—Malayan Prince, Oct. 25; Cingalese Prince, Nov. 22—both Furness-Prince Line; Silverteak, Silver Line, Nov. 7.

### From Vancouver

*To Yokohama, Kobe and Osaka.*—Heian Maru, Oct. 30; Hikawa Maru, Nov. 18; Hiye Maru, Dec. 2—all Nippon Yusen Kaisha.

*To Yokohama, Kobe, Shanghai, Hongkong and Manila.*—Empress of Japan (calls Honolulu), Oct. 30; Empress of Asia (calls Nagasaki), Nov. 13; Empress of Canada (calls Honolulu), Nov. 27; Empress of Russia (calls Nagasaki), Dec. 11—all Canadian Pacific; Ixion, Nov. 2; Talthybius, Dec. 4—both Blue Funnel Line (call at Miike but not at Manila).

*To Manila, Iloilo, Cebu, Macassar, Soerabaya, Samarang, Batavia, Singapore, Port Swettenham, Belawan Deli, Colombo, Bombay and Persian Gulf Ports.*—Hoegh Transporter, Silver-Java Pacific Line, Dec. 2.

*To Honolulu, Suva, Auckland and Sydney.*—Aorangi, Oct. 27; Niagara, Nov. 24—both Canadian-Australasian Line.

*To Papeete, Wellington, Lyttelton, Dunedin, Melbourne and Sydney.*—Wairuna (calls at Auckland and Napier), Canadian-Australasian Line, Nov. 25.

*To London, Liverpool and Rotterdam.*—Dinteldyk, Oct. 30; Damsterdyk (calls at Glasgow), Nov. 13; Nebraska, Nov. 27—all North Pacific Coast Line.

*To Antwerp, Hamburg and Bremen.*—Seattle, Oct. 20; Tacoma, Nov. 7; Portland, Nov. 14—all Hamburg-American Line; Este, Oct. 27; Schwaben, Nov. 24—both North German Lloyd Line.

*To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.*—San Jose, Oct. 22; Washington, Nov. 10—both Empire Shipping Co.

*To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.*—Fella, Oct. 29; Indien, Nov. 24—both Empire Shipping Co.

*To Port of Spain (Trinidad) and Bridgetown (Barbados).*—King Lud, Canadian Transport Co., Oct. 25.

*To Kingston (Jamaica), Trinidad and Demerara.*—Nollington Court, Canadian Transport Co., Oct. 20.

*To Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques, Beira, Colombo, Calcutta and Madras.*—Siantar, Nov. 5; Silverpalm, Dec. 4—both Silver-Java Pacific Line.

*To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.*—Hardanger, Oct. 24; Hoyanger, Nov. 25—both Empire Shipping Co.



# COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGESS, *Director*

## CANADIAN GOVERNMENT TRADE COMMISSIONERS

### Argentina

J. A. STRONG, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

### Australia

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*Melbourne*: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building, Melbourne. (Territory covers States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

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*Jamaica*: F. W. FRASER, P.O. Box 225, Office—Canadian Bank of Commerce Chambers, Kingston. (Territory covers Jamaica, Haiti, the Bahamas, and British Honduras.) *Cable address, Canadian.*

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*Kobe*: P. V. McLANE. Address for letters—P.O. Box 230, Kobe. Office—309 Crescent Building, 72 Kyomachi, Kobe. *Cable address, Canadian.*

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*Johannesburg*: J. L. MUTTER. Address for letters—P.O. Box 715, Johannesburg. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

### United Kingdom

*London*: FREDERIC HUDD, Chief Trade Commissioner in the United Kingdom, Canada House, Trafalgar Square, S.W.1. *Cable address, Sleighing, London.*

*London*: J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W.1 (Territory covers Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

*London*: W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand W.C.2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—covers United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

*London*: W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W.1. *Cable address, Agrilson.*

*Liverpool*: H. R. POUSSETTE, Martins Bank Building, Water Street. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

*Bristol*: E. L. MCCOLL, Northcliffe House, Colston Avenue. (Territory covers West of England, South Wales, and South Midlands.) *Cable address, Canadian.*

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### United States

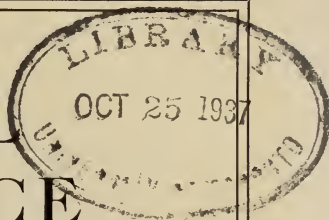
*New York City*: D. S. COLE, British Empire Building, Rockefeller Center. (Territory includes Bermuda.) *Cable address, Cantracom.*

**Note.**—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.



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# COMMERCIAL INTELLIGENCE JOURNAL



Vol. LVII

Ottawa, October 23, 1937

No. 1760



Sugar Cane Handling Equipment from Canada in Operation  
at Port Mourant, British Guiana

ISSUED BY AUTHORITY OF  
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE  
JAMES G. PARMELEE, DEPUTY MINISTER

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# COMMERCIAL INTELLIGENCE JOURNAL

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Vol. LVII

Ottawa, October 23, 1937

No. 1760

## TRADE COMMISSIONERS ON TOUR

The following Canadian Trade Commissioners are now on tour in the Dominion: Mr. B. C. Butler, Singapore, Straits Settlements (whose territory covers the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India); Mr. J. H. English, London, England; and Mr. F. W. Fraser, Kingston, Jamaica (whose territory covers Jamaica, Haiti, the Bahamas, and British Honduras). Their itineraries are as follows:—

### Mr. Butler

Montreal and district . . . .	Oct. 25 to 28	Windsor . . . . .	Nov. 10 to 12
Perth and Smith's Falls . . .	Oct. 29 and 30	Tecumseh, Essex and	
Kingston . . . . .	Nov. 1	Chatham . . . . .	Nov. 13
Belleville . . . . .	Nov. 2	London . . . . .	Nov. 15 to 18
Peterboro, Oshawa and		Brantford and Galt . . . .	Nov. 19 and 20
Whitby . . . . .	Nov. 3 and 4	Kitchener . . . . .	Nov. 22 and 23
Newmarket, Orillia, and		Guelph . . . . .	Nov. 24
Gravenhurst . . . . .	Nov. 5 and 6	Hamilton . . . . .	Nov. 25 to 27
Owen Sound and Goderich . .	Nov. 8 and 9	St. Catharines and Niagara	
		Falls . . . . .	Nov. 29 and 30

### Mr. English

Toronto and district . . . .	Oct. 25 to Nov. 6	London . . . . .	Nov. 18 and 19
Niagara Falls . . . . .	Nov. 8	Quebec . . . . .	Nov. 22
Hamilton and district . . .	Nov. 9 and 10	Charlottetown . . . . .	Nov. 25
Guelph . . . . .	Nov. 12	Halifax . . . . .	Nov. 27 and 29
Kitchener . . . . .	Nov. 15 and 16	Annapolis Valley . . . . .	Nov. 30 to Dec. 1
Windsor . . . . .	Nov. 17		

### Mr. Fraser

Ottawa and district . . . . .	Oct. 28 to Nov. 3
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Firms who wish to be brought in touch with the Trade Commissioners should communicate, for Toronto, Vancouver, and Winnipeg, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres with the respective Board of Trade or Chamber of Commerce.

## CANNED SALMON MARKET IN THE WEST OF ENGLAND

L. H. AUSMAN, ASSISTANT TRADE COMMISSIONER

Bristol, September 27, 1937.—At the present time old season's pack salmon is being offered for sale in the West of England, although some of the new pack, which is generally available in October, can be obtained for prompt delivery.

Japanese 96 $\frac{1}{2}$ 's flat pinks have recently been selling freely at 18s. to 18s. 3d. per case, ex wharf London and Liverpool, duty paid. At the present time prices have firmed somewhat to 18s. 6d. for spot and October-November forward delivery, and it has just been reported that the Japanese merchants have agreed to hold for 18s. 6d. a case.

The prices for 48/1's tall have been 14s. 9d. for 100 cases or more, and 15s. for anything below this. Japanese reds unlabelled in 96/½'s flat have been selling at 49s. 6d. to 51s. 6d. per case, ex London and Liverpool, duty paid.

Against these prices Canadian shippers are asking 18s. 6d. per case c.i.f. for 48/1's tall and 24s. 6d. for 96/½'s flat for labelled pinks, and 57s. c.i.f. for 96/½'s flat sockeye red. All these prices are for wholesale dealers.

## MARKET IN THE BRITISH WEST INDIES (EASTERN GROUP) FOR CANNED VEGETABLES AND FRUITS

G. A. NEWMAN, ASSISTANT TRADE COMMISSIONER

Port of Spain, Trinidad, October 4, 1937.—The market for canned vegetables and fruits in the British West Indies is restricted to the white population and wealthier coloured people, as the majority of the natives are neither familiar with, nor in a position to purchase such products. The latter are well supplied throughout the year with cheap native fruits and vegetables, this factor also exercising a limiting influence on the purchases of the white consumers.

Within this specified market the return of improved economic conditions has created an increasing demand for canned foods.

### Canned Vegetables

Canada is the major source of supply of canned vegetables to the British West Indies. During the past few years general imports have shown a steady increase until in 1936 the three main markets of Trinidad, Barbados, and British Guiana received imports to the value of \$43,500, of which Canada supplied 34·6 per cent, the United States 15·5 per cent, the United Kingdom 15·3 per cent, and Portugal, because of heavy shipments of tomato paste to British Guiana, 10·9 per cent.

Imports of canned vegetables into the smaller markets of the Windward and Leewards Islands are negligible. In the absence of more recent figures, it is necessary to include 1935 returns for St. Lucia and the Leeward Islands with the 1936 returns from the islands of St. Vincent and Grenada. As imports into these markets are subject to minor variations from year to year, the above estimates reflect the prevailing condition of imports.

### TRINIDAD

The increase in imports of canned vegetables from Canada in recent years has been coincident with a general increase in Trinidad imports of canned and preserved vegetables, which have more than doubled in value between the years 1933 and 1936 inclusive. Canadian canned vegetables in 1933 provided approximately 21·6 per cent of the total value of imports; in 1934, 28·6 per cent; in 1935, 36·5 per cent; and in 1936, 38·1 per cent. Most of this trade was credited to one well-known Canadian firm who have adopted a consistently aggressive sales policy.

Total imports in 1936 were valued at \$25,066 (1935, \$19,750), of which Canada is credited with \$9,533 (1935, \$7,226); United States, \$4,816 (\$2,716); United Kingdom, \$4,083 (\$3,402); China, \$3,275 (\$3,793); France, \$1,747 (\$1,369); and other countries, \$1,612 (\$1,199).



## VARIETIES AND PACK

Canadian canned peas, which have superseded those originally imported from France, are outstanding on the Trinidad market and are in strong demand. The following table indicates briefly, in order of volume of retail sales, the leading canned vegetables retailed by local shops:—

Product	Size of Tin	Country of Origin	Retail Price in Cents
Peas No. 3 . . . . .	2's	Canada	18
Beets . . . . .	2's	Canada	20
Sweet corn . . . . .	2's	Canada	16
Carrots . . . . .	2's	Canada	20
Cauliflower . . . . .	2's	United Kingdom	26
Brussels sprouts . . . . .	2's	United Kingdom	24

## COMPETITION

Two well known United States brands are the main competitors with Canadian canned vegetables. Imports from the United Kingdom are confined mostly to special types of vegetables not easily obtained elsewhere.

## TARIFF

Canned vegetables imported into Trinidad are subject to a general tariff of \$2.50 per 100 pounds and a British preferential tariff of \$1.25 per 100 pounds.

## BARBADOS

Total imports of canned and preserved vegetables into the Barbados market in 1936 were valued at £1,209 (1935, £1,017) of which Canada was credited with £646 (£581), United States £261 (£154), United Kingdom £159 (£225), Belgium £128 (£26), and other countries £10 (£31).

## VARIETIES AND PACK

Peas, tomatoes, and corn are the leading products in demand, in the order mentioned, with lesser quantities of lima beans, refugee beans, beets and carrots also finding a moderate sale. Canadian canned peas dominate the canned vegetable market, with a good sale also being secured in Canadian sweet corn and tomatoes. Ten-ounce and 18-ounce tins are popular on this market.

## COMPETITION

Keen competition in canned vegetables exists between one well known Canadian brand and two well-known United States brands. Competition from United Kingdom exporters is not so noticeable although there is a moderate sale of English canned peas.

## TARIFF

Canned vegetables are subject to a specific tariff of 2s. 1d. (50 cents) per 100 pounds, British preferential, and 4s. 2d. (\$1) per 100 pounds general tariff, plus a 10 per cent surtax on both classifications. Canadian products are accorded preferential treatment.

## BRITISH GUIANA

Between 1932 and 1935 imports of canned vegetables increased by 51,245 pounds. In 1936, total imports declined due to the diminution of shipments

from Portugal, which is the largest supplier within this classification. Total imports amounted in value in 1936 to \$12,631 (1935, \$14,805), of which Portugal supplied \$4,762 (1935, \$8,320), Canada \$2,419 (\$1,412), United Kingdom \$1,815 (\$1,191), Holland \$956 (\$647), Belgium \$843 (\$1,015), United States \$696 (\$790), and other countries \$1,140 (\$1,430). As previously pointed out, imports from Portugal consist largely of tomato paste for local consumers of Portuguese extraction. Disturbed conditions in the Iberian Peninsula no doubt explain the sudden reduction in imports of this product in 1936.

#### VARIETIES AND PACK

Peas are the major canned vegetables sold in British Guiana, there being little demand for other items such as canned corn and tomatoes. It is reported that most of the canned vegetables, apart from peas, are shipped to the gold and diamond fields where it is difficult to cultivate fresh vegetables.

#### TARIFF

Canned vegetables imported into British Guiana are subject to a British preferential tariff of \$1 per 100 pounds, and a general tariff of \$2 per 100 pounds, both classifications being subject to a 30 per cent surtax, plus a bill of entry fee of 3 per cent.

#### Canned Fruits

There has been a general increase in the imports of canned and preserved fruits in the British West Indies markets (Eastern group) since 1932.

Total imports in 1936 in the three major markets of Trinidad, Barbados, and British Guiana, were valued at \$31,033, of which United States was credited with \$10,725 (34.6 per cent), Canada \$9,512 (30.6 per cent), and the United Kingdom \$5,301 (17 per cent). Imports into the lesser markets of the Leeward and Windward Islands were negligible, amounting to only \$3,973 in value, of which United States supplied 43.4 per cent, United Kingdom 27.8 per cent, and Canada 4.6 per cent.

#### TRINIDAD

Total imports of canned fruits in 1936 were valued at \$12,578 (1935, \$12,081) of which the United States was credited with \$5,564 (\$5,523), Canada \$3,915 (\$3,509), France \$1,661 (\$949), the United Kingdom \$824 (\$1,437), Australia \$245, South Africa \$96 (\$224), and other countries \$273 (\$439).

#### VARIETIES AND PACK

While Canadian canned fruits are prominent on the Trinidad market, two established United States brands still retain the lead according to retail distributors. The disposition of this market is indicated by the following table which lists canned fruits in order of importance in retail sales volume.

Product	Size of Tin	Country of Origin	Retail Price in Cents
Pears . . . . .	2½'s	United States	30
Peaches . . . . .	2½'s	United States	30
Fruit salad . . . . .	2½'s	United States	36
Pineapple . . . . .	2½'s	United States	32
Strawberries . . . . .	2's	Canada	28
Strawberries . . . . .	2's	United Kingdom	36

Canadian pears in squat tins of 1 pound 2 ounces have a good sale on this market, and there is a fair demand for Canadian peaches.

#### COMPETITION

Two United States brands and one Canadian brand are the chief competitors on this market. Imports from the United Kingdom are confined largely to jams,



marmalades, and jellies, though tinned berries from the United Kingdom are on sale.

Australian canned fruits do not appear to have made much progress up to the present, nor is there any indication of the same close interest in them as is displayed on the British Guiana and Barbados markets.

#### TARIFF

Canned fruits imported into Trinidad are subject to a general tariff of \$1.92 per 100 pounds and a British preferential tariff of 96 cents per 100 pounds, plus a surtax of 15 per cent on both classifications. Canadian imports are accorded preferential treatment.

#### BARBADOS

There has been little more than £300 increase in the value of total imports of canned fruits into Barbados from 1932 to 1936. Total imports in 1936 were valued at £1,387 (1935, £1,333), of which the United States was credited with £739 (£679), the United Kingdom £309 (£236), Canada £139 (£160), South Africa £45 (£141), and other countries £115 (£117).

#### VARIETIES AND PACK

The chief varieties of canned fruit imported consist of pears, peaches, and apricots, in the order mentioned, with smaller quantities of cherries and pineapple, packed in 10-ounce and 18-ounce tins. Imports from the United Kingdom are made up largely of strawberries, with moderate quantities of raspberries, loganberries, and plums.

#### COMPETITION

Two well-advertised and long-established brands are responsible for the predominant position held by United States imports on this market. Prices are about the same as those for a leading Canadian brand.

Recently Australian canned fruits of flavour and appearance similar to those from the United States have been introduced on the Barbados market at prices lower than the United States products, and it is believed that these Australian shipments may interfere considerably with imports from other countries.

#### TARIFF

Canned fruits imported into Barbados are subject to a British preferential tariff of 10 per cent ad valorem and a general tariff of 20 per cent ad valorem, both classifications being subject to a surtax of 10 per cent.

#### BRITISH GUIANA

During recent years there has been a moderate but steady increase in the imports of canned and preserved fruits. Total imports in 1936 were valued at \$11,798 (1935, \$11,695), of which Canada was credited with \$4,930 (\$4,451), United Kingdom \$2,294 (\$2,162), United States \$1,614 (\$2,395), France \$1,520 (\$1,639), and other countries \$721 (\$1,148).

Unlike the markets of Trinidad and Barbados, British Guiana receives its major supply of canned fruits from Canada rather than the United States. The demand comes from the middle classes in the towns and from the gold and diamond workers in the interior of British Guiana.

## VARIETIES AND PACK

The leading varieties of canned fruits imported consist of peaches, Bartlett pears, apricots, plums, and some strawberries and raspberries, the latter two products being stocked only in small quantities on account of the high acid content affecting the tins.

The popular demand is for fruits packed in  $1\frac{1}{2}$  tins, followed by  $2\frac{1}{2}$  tins and a few No. 1's and 8-ounce tins.

## COMPETITION

While United States fruits of "Fancy" quality, pears, peaches, fruit salad, and apricots, are well known on the market, the chief competition with Canadian products comes from two well-known English brands covering a wide variety of canned and bottled fruits.

As in the case of the Barbados market, there has been imported recently on to the British Guiana market low-priced Australian pears, peaches, and apricots, which may result in a substantial share of the trade going to Australia during the present season.

## TARIFF

The tariff in British Guiana on canned fruits is \$3 per 100 pounds general tariff and \$1.50 per 100 pounds British preferential tariff, with a surtax charge of 30 per cent applicable on both classes, plus 3 per cent bill of entry fee.

## METHOD OF DISTRIBUTION

As the majority of the consumers are white people who purchase their requirements from three or four retail stores catering specially to their requirements in each market, sales of canned fruits and vegetables are usually made through commission agents direct to the large retailers. The commission charged is usually from 3 to 5 per cent, and the terms of trade 30-day drafts against acceptance of documents.

## ADVERTISING

A number of the packers make an allowance to their agents for advertising purposes. In the British West Indies markets purchases are usually made by telephone or through servants, consequently the most effective mode of advertising is through the local daily press. Advertising costs vary, but some estimate of the cost may be gained from the fact that in Trinidad the leading local paper charges \$4 per column inch per month of daily insertions.

**EMPIRE EXHIBITION, SCOTLAND, 1938: WHY CANADIAN FIRMS SHOULD EXHIBIT**

G. B. JOHNSON, CANADIAN TRADE COMMISSIONER

Glasgow, October 8, 1937.—The Empire Exhibition at Glasgow—the "Second City" of the Commonwealth—next year affords to Canadian producers, manufacturers and exporters an unequalled opportunity to extend their trade not only with Great Britain and the Dominions and Colonies, but with the whole world. It will be by far the most important event of the kind for some years.

The 1901 exhibition in Glasgow, the largest in that city in the past, was visited by 11,000,000 people, at a time when motor traffic was in its infancy and when railway travel was much less comfortable and rapid than it is now. The exhibition authorities estimate the number of visitors expected next year at a minimum of 15,000,000, but it may considerably exceed this figure. Arrangements have been made to accommodate an average of 250,000 people a day for



the six months during which the exhibition will be open. Car parks to take 10,000 vehicles are being provided. The Empire Exhibition next year will cover 170 acres, of which only 2 per cent of lettable space is at the time of writing still available. Thirty of the largest business organizations in Great Britain are constructing their own pavilions.

#### PRINCIPAL IMPORTS INTO THE UNITED KINGDOM FROM CANADA

The trade of Canada with the United Kingdom in the calendar year 1936 continued the upward movement of recent years. Imports into the United Kingdom from Canada were valued at \$122,971,000—the highest figure in any year since 1930; while domestic exports to the Dominion, valued at \$399,831,000, were higher than in any year since 1928. Some of the important items responsible for this increase in imports from Canada are as follows in the order of their monetary importance, ranging from wheat of a value of \$154,872,000 to hides and skins valued at \$219,000:—

Wheat; bacon and hams; copper and products; planks and boards; nickel and manufactures; wheat flour; cheese; aluminium products; zinc and products; platinum concentrates, etc.; lead and products; leather, unmanufactured; rubber manufactures; lard and compounds; machinery; tobacco leaf; cattle; billets; ingots and blooms, iron; bars and rods, iron; acids; abrasives, artificial, crude; farm implements; rye; timber, square; seeds; asbestos; poultry (meats); brass and products; hay; hardwood logs; beef, fresh; hides and skins.

In addition, there are numerous other items which are of importance in the Dominion's export trade to Great Britain, such as fresh apples; canned fruits and vegetables; canned salmon and lobsters and other canned and packaged goods; eggs; oil cake; fish meal and oil; furs; silk hosiery; pulp, paper and cellulose products; hardwood flooring and other timber manufactures; and motor cars.

All of the above-named products, which are suitable for exhibition purposes, should find a place in the Canadian Pavilion, and among other products, in which the trade at present may not be large but which is probably capable of expansion, are ladies' dresses and certain types of women's and children's leather shoes.

#### DISTRIBUTION IN THE UNITED KINGDOM.

For those Canadian firms who propose to take space, it should be mentioned that past experience proves that exhibits should be constantly in charge of attendants who can answer all questions, quote prices, and book orders. Furthermore, results cannot be expected in the British market unless the firm concerned maintains, or intends to provide, machinery for distribution by resident agents or through the medium of import houses. It should be emphasized, however, that the British market does not exhaust the possibilities of Canadian exhibitors at the exhibition. Visitors are expected in many thousands from all parts of the world, more especially from the Continent and Empire countries. In Great Britain, especially in London, there are numerous firms of merchant exporters or indent houses who do business with buyers in many parts of the world. Canadian firms, therefore, even those whose products are not saleable in Great Britain or Continental countries, may find it to their advantage to exhibit at Glasgow.

CANADA'S DOMESTIC EXPORTS TO THE UNITED STATES OF PRINCIPAL COMMODITIES AFFECTED BY THE CANADA-UNITED STATES TRADE AGREEMENT  
EFFECTIVE FROM JANUARY 1, 1936; ALSO UNITED STATES TARIFF RATES IN FORCE, (MONTH OF SEPTEMBER AND THE NINE MONTHS ENDED  
SEPTEMBER 30, 1936 AND 1937)  
(COMPILED BY THE EXTERNAL TRADE BRANCH, DOMINION BUREAU OF STATISTICS; AND THE FOREIGN TARIFFS DIVISION)

Commodities	Month of September				Nine Months ended September				United States Tariff	
	1936		1937		1936		1937		1935	Canada-United States Trade Agreement (Jan. 1, 1936)
	Quantity	Value \$	Quantity	Value \$	Quantity	Value \$	Quantity	Value \$		
AGRICULTURAL AND VEGETABLE PRODUCTS										
Fruits—										
Apples, green or ripe.....	2,141	5,468	1,614	3,760	2,405	6,675	2,286	6,923	25c. per bu. 50 lbs.	15c. per bu. 50 lbs.
Strawberries, fresh.....	12,266	981	4,500	382	690,268	57,662	1,398,912	94,248	14c. per lb.	4c. per lb.
Grain products—										
Bran, shorts and middlings.....	421,723	492,667	3,591	5,377	2,300,118	2,207,344	1,451,690	2,166,521	10% ad val.	10% ad val.
Cereal foods, prepared, all kinds.....	185,651	5,975				231,017		49,408	20% ad val.	15% ad val.
Screenings.....	196,082	140,842	44,180	16,951	669,229	309,464	611,287	465,559	10% ad val.	10% ad val.
Hay.....	12,503	85,607	1,170	7,075	24,659	158,124	133,492	900,253	\$5 per ton (2,000 lbs.)	\$3 per ton (2,000 lbs.)
Maple sugar.....	1,256,912	184,121	610,430	85,816	5,993,887	958,516	2,944,652	425,313	6c. per lb.	4c. per lb.
Seeds—										
Clover seed, alfalfa.....	154	1,352	4,745	59,302	1,160	11,928	26,808	362,664	8c. per lb.	4c. per lb.
Clover seed, alsike.....	6,614	60,578	1,536	17,950	7,944	71,081	17,054	177,157	8c. per lb.	4c. per lb.
Grass seed.....	11,023	13,188	3,152	5,428	68,320	75,773	39,384	99,628	2c. per lb.	1c. per lb. (mainly timothy).
Vegetables—										
Certified seed potatoes (a).....	2,001	1,940	30,172	31,890			342,347	363,510	75c. per 100 lbs.	45c. per 100 lbs., Mar. 1 to Nov. 30, if certified seed; 60c. per 100 lbs., Dec. 1 to last day of Feb., if certified seed; 75c. per 100 lbs. on imports of certified seed in excess of 750,000 bu. during each twelve-month period, beginning Dec. 1, in any year.
Potatoes, n.o.p. (b).....	929	753	42	21			325,603	237,109	75c. per 100 lbs.	75c. per 100 lbs.
Turnips.....	243,284	71,693	229,212	76,280	1,449,708	452,984	1,284,863	416,021	25c. per 100 lbs.	12c. per 100 lbs.
Whiskey.....	270,791	1,044,218	451,289	1,763,083	2,907,183	13,601,329	3,460,940	13,178,228	\$5 per pt. gal.	\$2.50 per pt. gal. if aged in wooden containers for at least four years; \$5 per pt. gal. if otherwise.
ANIMALS AND ANIMAL PRODUCTS										
Animals, living—										
Dairy cattle, n.o.p.—										
Weighing 175 to 700 lbs. (a).....	90	3,620	9	415	6,176	372,821	115	4,354	24c. per lb., 175 to 700 lbs.	24c. per lb., 175 to 700 lbs.
Weighing over 700 lbs. (a).....	820	52,366	946	67,200			4,675	294,110	3c. per lb., if over 700 lbs.	3c. per lb., if over 700 lbs.
										on imports in excess of 20,000 head during any calendar year.



Cattle, n.o.p.— Weighing less than 175 lbs. (a).....No.	707	6,576	5,878	98,097			89,509	1,320,888 24c. per lb., if less than 175 lbs.	14c. per lb., if less than 175 lbs. 24c. per lb. if less than 175 lbs. on imports in excess of 51,933 head during any calendar year.
5,506		93,630	6,883	187,539	203,660	7,572,827	14,101	370,785 24c. per lb., if 175 to 700 lbs.	24c. per lb., if 175 to 700 lbs.
8,040		202,894	9,188	562,230			149,088	10,080,024 3c. per lb., if over 700 lbs.	2c. per lb., if over 700 lbs. 3c. per lb., if over 700 lbs., on imports in ex- cess of 135,799 head during any calendar year.
Horses, n.o.p.....No.	688	69,029	459	52,899	15,183	1,840,006	9,108	1,181,566 \$30 per head, if valued at not more than \$150; 20% ad val., if valued more than \$150.	\$20 per head, if valued at not more than \$150; 20% ad val., if valued more than \$150.
Poultry, n.o.p.....No.	41,887	23,987	221,592	144,777	262,269		704,808	407,589 8c. per lb., if chickens, ducks, geese, turkeys, and guineas.	4c. per lb., if chickens, ducks, geese, turkeys, and guineas.
Fish, fresh and frozen— Clams, fresh.....Cwt.	1,358	1,979	970	1,757	31,733	35,419	41,581	51,278 Free.....	Free.....
Eels, fresh and frozen.....Cwt.	4,494	3,730	171	1,368	1,634	9,745	1,863	12,369 1c. per lb.	1c. per lb.
Halibut, fresh and frozen.....Cwt.	4,184	41,558	5,252	56,403	37,681	338,594	41,180	391,818 2c. per lb.	2c. per lb.
Herring, sea, fresh and frozen.....Cwt.	124,509	90,775	65,705	37,229	207,093	186,483	165,097	121,951 Free.....	Free.....
Salmon or lake trout, fresh and frozen.....Cwt.	5,005	58,382	6,580	76,358	27,618	283,188	32,101	356,829 1c. per lb.	1c. per lb.
Lobsters, fresh.....Cwt.	3,841	119,308	6,519	162,026	87,863	1,789,710	101,010	2,189,280 Free.....	Free.....
Oysters, fresh.....Cwt.	21	186	22	191	57	483	162	1,375 Free.....	Free.....
Salmon, fresh and frozen.....Cwt.	13,718	84,906	8,197	48,331	65,258	617,762	43,697	428,534 2c. per lb.	1c. per lb.
Snails, fresh and frozen.....Cwt.	257	2,840	63	876	64,341	625,897	343,304	343,304 Free.....	Free.....
Swordfish, fresh and frozen.....Cwt.	3,599	59,718	3,607	54,585	20,587	257,842	14,662	198,651 2c. per lb.	1c. per lb., if not frozen; 3c. per lb., if frozen.
26		225			15,095	89,922	4,415	32,234 1c. per lb.	3c. per lb., if frozen.
10,647		162,077	11,674	153,470	92,169	1,058,877	102,834	1,179,941 1c. per lb.	2c. per lb.
Fish, pickled, salted, and smoked— Alewives, salted.....Cwt.					1,271	2,527	15	44 1c. per lb., net weight.	1c. per lb., net weight.
151		1,228	125	996	9,449	33,793	4,598	22,382 3c. lb., if boned; 1c. per lb., not boned.....	1c. lb., if boned; 3c. per lb., not boned.
668		10,650			1,578	21,358	4	93 25% ad val.....	20% ad val.
Fish, canned— Clams, canned.....Cwt.	146	1,613			151	1,680	28	200 23% ad val., if razor clams; 35% ad val., if other kinds.	15% ad val., if razor clams; 35% ad val., if other kinds.
354		22,539	415	24,712	4,414	272,983	3,911	228,697 Free.....	Free.....
Lobsters, canned.....Cwt.									
Fur skins, undressed— Beaver.....No.	5,021	61,212	2,984	47,441	36,268	458,415	38,299	586,173 Free.....	Free.....
2,887		27,666		17,363	95,472	1,134,580	61,467	911,912 Free.....	Free.....
30,573		47,384	12,933	16,441	296,961	449,394	197,714	283,129 Free.....	Free.....
1,368		21,176	1,849	23,505	41,748	363,224	32,353	404,952 Free.....	Free.....
Leather— Harness leather.....Patent leather.....									
		3,855		1,377		2,372		1,855 12 1/2% ad val.	10% ad val.
						77,463		50,650 15% ad val.	10% ad val.

(a) Not separately shown prior to April 1, 1936. (b) Includes "certified seed potatoes" prior to April 1, 1936.

## CANADA'S DOMESTIC EXPORTS TO THE UNITED STATES OF PRINCIPAL COMMODITIES, Etc.—Concluded

Commodities	Month of September				Nine Months ended September				United States Tariff	
	1936		1937		1936		1937		1935	Canada-United States Trade Agreement (Jan. 1, 1935)
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value		
<b>Meats—</b>		\$		\$		\$		\$		
Poultry, dressed or undressed.....Lb.	515	144	7,338	1,522	172,988	43,581	23,358	4,646	10c per lb.	6c. per lb., if chickens and guineas; 10c. per lb., if other poultry; 5c. per lb., but not less than 25% ad val., if cheddar cheese in original loaves; 7c. per lb., but not less than 35% ad val., if other kinds of cheese. 35c. per gal. 30-6/10c. per gal. on imports in excess of 1,500,000 gals. during any calendar year. 2 1/2c. per gal.
<b>Milk products—</b>										
Cheese.....Cwt.	15,081	214,549	3,488	57,477	97,540	1,324,290	36,889	560,608	7c. per lb., but not less than 35% ad val.	
Cream.....Gal.	3,936	5,234	10,648	18,770	12,030	16,469	80,896	140,272	56-6/10c. per gal.	
Whale oil.....Gal.	120,822	26,106	170,401	47,948	509,668	118,754	530,644	148,469	5c. per gal.	
<b>Wood, Wood Products and Paper</b>										
Shingle bolts of pine or cedar.....Cord	5	20	16	44	96	395	542	1,889	Free.	Free.
Firewood.....	7,938	38,187	6,537	31,980	41,356	191,089	40,614	207,689	10% ad val.	10% ad val.
Laths.....M	21,336	82,124	19,154	70,377	186,237	634,894	189,944	780,125	Free.	Free.
Logs.....M ft.	7,535	68,447	17,814	210,366	84,000	324,672	75,667	971,543	Free.	Free.
Masts and spars.....						20		414	\$1 per M ft. b.m., if fir; 50c. per M ft. b.m., if spruce, pine, hemlock or larch; free, if other kinds.	50c. per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.
Pickets.....M	1,194	7,345	3,757	28,322	5,642	38,146	24,773	184,602	Free.	Free.
Piling.....Lin. ft.	54,435	2,986	7,085	2,461	393,737	27,022	472,560	38,446	\$1 per M ft. b.m., if fir; 50c. per M ft. b.m., if spruce, pine, hemlock or larch; free, if other kinds.	\$1 per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.
<b>Planks and boards—</b>										
Flooring of hardwood.....M ft.	52	2,816	65	4,584	381	18,943	1,415	89,338	8% ad val.	4% ad val.
Planks and boards, softwood.....M ft.	38,723	972,644	50,370	1,364,352	373,970	8,381,150	386,596	10,657,903	\$1 per M ft. b.m. and 50c. per M ft. b.m. Revenue Tax if fir, spruce, pine, hemlock or larch; (a) wood, but subject to free, if other kinds of wood, but subject to \$3 Revenue Tax per M ft. b.m.	\$3 per M ft. b.m. Revenue Tax if fir, spruce, pine, hemlock or larch; (a) wood, but subject to free, if other kinds of wood, but subject to \$3 Revenue Tax per M ft. b.m.
<b>Planks and boards, hardwood, n.o.p....M ft.</b>	4,936	172,892	5,323	216,634	26,034	910,188	40,805	1,874,007	Free, but subject to \$3 per M ft. b.m. Revenue Tax.	Free, but subject to \$1.50 per M ft. b.m. Revenue Tax.
<b>Poles—</b>										
Telegraph and telephone.....No.	17,090	56,439	44,087	139,958	179,599	500,445	312,281	929,508	Free.	Free.
Other poles.....No.	33,532	9,886				62,139		24,246	Free.	Free.
Posts, fence.....No.	143,264	3,238	43,715	4,081	388,605	35,801	665,999	56,528	Free.	Free.
Pulpwood.....Cord	40,709	1,087,775	199,425	1,584,502	791,509	5,833,956	1,096,196	8,449,888	Free.	Free.
Railroad ties.....No.	257,871	43,885	46,323	39,838	183,922	159,345	228,668	157,243	Free.	Free.
Shingles.....Square		634,398	248,404	706,324	1,631,606	4,159,421	1,730,029	4,925,774	Free.	Free.
Staves and headings.....		2,627		3,712		12,194		70,814	Free, if staves; 33 1/3% ad val. if headings 33 1/3% ad val. if headings.	Free, if staves; 33 1/3% ad val. if headings.



Timber, square, softwood.....	M ft.	482	4,708	167	4,654	4,434	67,589	1,385	34,714 \$1 per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.
Timber, square, hardwood.....	M ft.								471 Free.
Wood pulp.....	Cwt.			7	217	9,535,243	165	15	25,652,050 Free.
Paper—Newsprint.....	Cwt.			1,208,533	3,077,388	34,126,112	59,282,998	42,027,473	70,589,839 Free.
	Cwt.			5,175,240	9,464,742				
<b>IRON AND ITS PRODUCTS</b>									
Farm implements—									
Cultivators.....	No.	5	142		393	1,394	103,799	380	16,697 Free.
Drills.....	No.	55	6,010	130	15,400	490	48,157	710	85,582 Free.
Harrows and parts.....	No.		3,962		10,701		47,073		114,567 Free.
Harvesters and binders.....	No.	12	1,702	86	12,410	723	140,361	1,721	304,336 Free.
Hay rakes.....	No.	3	138	1	41	199	5,264	169	6,000 Free.
Mowers and reapers.....	No.	3	179	1	84	514	29,854	216	12,332 Free.
Ploughs and parts.....	No.		49,005		81,455		354,719		579,494 Free.
Reaper threshers.....	No.	1	1,050	84	97,773	164	181,129	413	339,020 Free.
Parts of farm implements, n.o.p.....	No.		5,194		82,337		395,262		539,083 Free.
Ferro-silicon.....	Ton	4	211	1,929	63,251	3,309	68,383	10,992	248,857 2c. per lb. on silicon content.
<b>Ferro-manganese and other ferro-alloys,</b>									
n.o.p.....	Ton	2,719	62,823	4,251	195,358	32,530	815,383	21,148	973,513 11c. per lb. on manganese content.
Skates.....	Fair	45,537	27,374	7,367	11,900	178,338	109,974	64,974	49,002 20% ad val.
<b>NON-FERROUS METALS AND PRODUCTS</b>									
Cobalt in ore.....	Cwt.	120	7,192	141	9,212	1,033	59,670	526	33,835 Free.
Nickel in matte or spiss.....	Cwt.	15,758	283,691	1,077	20,599	14,698	296,405	15,925	318,363 Free.
Nickel in oxide.....	Cwt.		283,691	21,134	380,413	92,466	1,664,251	112,782	2,029,408 Free.
<b>NON-METALLIC MINERALS AND PRODUCTS</b>									
Abrasives, artificial, crude.....	Cwt.	2,761	57,795	1,077	20,599	14,698	296,405	15,925	318,363 Free.
Asbestos.....	Ton	130,584	352,443	160,034	446,461	1,099,772	2,783,539	1,551,905	4,142,891 Free.
Asbestos sand and waste.....	Ton	15,577	246,605	14,273	224,979	96,933	1,555,344	138,402	2,305,172 Free.
Feldspar.....	Ton	1,824	13,190	2,207	16,287	8,200	56,067	16,664	128,439 50c. per ton, if crude.
Gypsum, crude.....	Ton	56,487	65,808	77,466	92,286	308,974	359,567	495,801	569,919 Free.
Lime.....	Cwt.	24,813	11,561	171,208	181	171,696	72,152	150,284	63,958 Various.
Talc.....	Cwt.	16,671	8,165	11,368	5,890	130,969	65,228	110,172	54,842 35% ad val.
<b>CHEMICALS AND ALLIED PRODUCTS</b>									
Acetic acid.....	Cwt.	35,979	192,503	15,402	82,425	218,547	1,175,200	285,403	1,529,423 2c. per lb., if over 65%.
Cobalt oxides and cobalt salts.....	Lib.			9,100	13,408			97,320	130,072 20c. per lb. if oxides; 30% ad val. if salts.
Cyanamid.....	Cwt.	114,069	108,712	102,714	97,925	1,795,488	1,844,403	2,207,433	2,414,494 Free.
Sulphuric acid.....	Cwt.	2,445	1,344	3,583	2,104	14,292	9,768	25,573	15,833 Free.
<b>MISCELLANEOUS COMMODITIES</b>									
Organs.....	No.	2	880					8	16,261 35% ad val.
Total exports of above commodities.....			19,255,711		23,409,421		153,746,789		193,638,060
Total domestic exports to United States.....			35,120,686				275,872,996		359,242,374

(a) Reduced rates not applicable to imports of Douglas fir or Western hemlock in any calendar year in excess of an aggregate quantity of 250,000,000 feet, board measure.

## TRADE OF NIGERIA IN 1936

H. L. BROWN, ASSISTANT TRADE COMMISSIONER

London, September 28, 1937.—The total trade of the Colony and Protectorate of Nigeria, including that section of the Cameroons under British mandate, averaged £33,929,500 during the peak years 1925-29, inclusive, having steadily increased to that figure during the previous twenty years. During the following five years, however, there was a precipitous decline in values until in 1934 the aggregate stood at £15,513,280 and would have been much lower were it not that the export of specie was unusually high in that year, amounting to about £1,200,000.

In 1935 there was an improvement which continued in 1936, by which time the value of total trade had risen to £28,223,028, including, however, the import of specie valued at over £1,800,000. The value of importations of merchandise increased from £5,363,680 in 1934 to £10,829,609 in 1936; the value of exportations of Nigerian produce rose from £8,733,630 to £14,929,770 in the same two years.

### EXPORT TRADE

The total value of export trade in 1936 was £15,557,256 as compared with the low of £9,967,143 in 1933 and the high of £17,922,501 in 1929. The 1936 total included £480,310 in specie, £147,176 in re-exports, and £14,929,770 in the produce of Nigeria and represented an increase of 30 per cent over that of 1935. The principal commodities exported in 1936 (chief countries of consignment shown in parentheses) were: palm kernels, £3,637,396 (Germany, United Kingdom, and Holland); groundnuts (peanuts), £2,847,414 (France, United Kingdom, Germany, and Holland); palm oil, £2,078,839 (United Kingdom, Germany, Italy, and the United States); cocoa, £1,997,418 (United States, United Kingdom, Holland, and Germany); tin, £1,763,056 (United Kingdom solely); hides and skins, £761,853 (United States, United Kingdom, and France); and cotton lint, £553,581 (Germany and United Kingdom).

### CUSTOMS TARIFF

There are no preferential duties on imports into Nigeria. The rates applicable to commodities of interest to Canadian exporters are as follows: fish, 2s. 6d. per 100 pounds; flour, 2s. 3d. per 100 pounds; spirits, usually 33s. 6d. per imperial gallon; tobacco, not manufactured, 2s. per pound; tobacco, manufactured, 4s. per pound; wood and timber, not manufactured, dressed or not, 1s. per cubic foot; boots and shoes, not leather, 9d. per pair; bread, biscuits, butter, cheese, confectionery, fish, dried fruits, lard, meat, milk, iron manufactures n.o.p., oilcloth and linoleum, all at 15 per cent ad valorem; bicycles, paints, rubber manufactures, 10 per cent ad valorem.

### PORTS OF ENTRY

Lagos is by far the most important port of entry for overseas trade; the value of imports through Lagos during 1936 amounted to £8,204,412, or nearly 65 per cent of the total for Nigeria. Other ports, in order of importance, with value and percentage of imports credited to each, are as follows: Port Harcourt, £1,573,331 (12 per cent); Burutu, £1,121,565 (9 per cent); Calabar, £642,769 (5 per cent); Warri, £523,030 (4 per cent). The balance was handled through Opsobo, Tiko, Degema, Victoria, Sapele, and Koko.



## IMPORTATIONS BY COUNTRIES

The following table summarizes the situation so far as the origin of all importations in 1936 is concerned:—

	Food, Drink and Tobacco	Manufactured Articles	Total
Total . . . . .	£1,850,966	£8,460,169	£12,665,772
United Kingdom . . . . .	853,196	5,228,225	8,130,963
Empire, other . . . . .	167,944	587,857	767,799
India . . . . .	64,046	543,777	607,848
Burma . . . . .	57,916	107	58,023
Canada . . . . .	7,317	26,586	34,315
Gold Coast . . . . .	8,175	4,466	13,510
Sierra Leone . . . . .	12,159	11	12,259
Hongkong . . . . .	.....	11,444	11,444
Germany . . . . .	45,500	891,077	945,721
United States . . . . .	216,953	223,251	591,811
Japan . . . . .	2,787	480,852	483,710
Norway . . . . .	343,799	4,513	348,359
Italy . . . . .	5,665	244,124	249,789
Holland . . . . .	45,333	131,923	179,055
China . . . . .	6,418	171,471	177,889
Belgium . . . . .	4,604	143,305	148,502
Czechoslovakia . . . . .	30,430	111,663	142,063
France . . . . .	33,879	75,218	109,668

Specie, totalling £1,836,528, is not listed separately but is shown in the total; it came only from the United Kingdom.

Raw materials, imports of which amounted to £388,305, are not noted separately but are included in the totals. The principal countries of supply were: United States, £151,607; Dutch West Indies, £112,037; the United Kingdom, £84,417. Foreign countries supplying less than £100,000 are not shown separately in the above table.

Practically all types of products were imported from the United Kingdom. The other parts of the Empire supplied rice, automobiles, cotton piece-goods, bags, and sacks. The principal commodities credited to Canada were: automobiles and trucks, £23,799; canned or preserved fish, £3,823; wheaten flour, £2,016. Germany supplied mainly beads, medicines and drugs, shooks, cutlery, implements and tools, earthenware, lamps and lanterns, iron and steel manufactures n.o.p., cycle parts, cotton and artificial silk piece-goods, silk; from the United States came flour, unmanufactured tobacco, kerosene, lubricating oil, motor spirit, automobiles and trucks; from Japan, apparel, boots and shoes (not leather), buckets and basins, cotton and artificial silk piece-goods; from Norway the important item was dried fish; from Italy, shooks, cotton and artificial silk piece-goods; from Holland, gin and cotton piece-goods; from Belgium, corrugated iron sheet and iron and steel manufactures. Other foreign countries supplied sugar, kerosene, motor spirit, matches, etc.

## COMMODITIES IMPORTED

The total value of merchandise imported in 1936 was £10,829,609, an increase of nearly 39 per cent over the 1935 total of £7,803,811. Cotton piece-goods accounted for £4,038,243, or over 37 per cent of the total for 1936.

The following summary indicates principally those commodities imported in fair volume; details are given only for items of interest to Canadian exporters. Values are in pounds sterling, c.i.f. Nigerian ports, exclusive of landing charges. Measures are by United Kingdom standards.

## FOOD, DRINK AND TOBACCO (£1,850,966)

*Foodstuffs*—Total, £1,271,598.

Bread and Biscuits.—50,311 cwt., £49,790: United Kingdom mainly.

Butter.—156,815 lbs., £10,482: United Kingdom, New Zealand, Denmark.

Cheese.—68,229 lbs., £3,662: United Kingdom, Germany, Switzerland, France, Denmark.

*Foodstuffs (continued)*

Tea.—247,155 lbs., £12,768: China, Ceylon, India.

Confectionery.—348,021 lbs., £15,169: United Kingdom mainly.

Fish.—Total, 220,759 cwt., £387,661.

Canned or Preserved.—1,169,869 lbs., £27,729: Portugal, 395,062 lbs., £10,476; United States, 356,593 lbs., £7,370; Canada, 212,109 lbs., £3,823; United Kingdom, 45,940 lbs., £1,784; Japan, 86,592 lbs., £1,496; Russia, 20,656 lbs., £974; Norway, 33,980 lbs., £914.

Dried, Salted, Smoked, Pickled, etc.—23,522,708 lbs., £358,727: Norway, 22,031,891 lbs., £342,724; Spanish possessions, 449,078 lbs., £4,233; Iceland, 307,144 lbs., £4,146; United Kingdom, 132,854 lbs., £1,977.

Fresh.—32,454 lbs., £1,205: United Kingdom, 29,783 lbs., £1,087.

Flour, Wheat.—59,413 cwt. (of 112 lbs.), £47,475: United States, 55,241 cwt., £41,884; United Kingdom, 2,450 cwt., £2,988; Canada, 1,379 cwt., \$2,018.

Fruit, Dried.—43,293 lbs., £1,106: Greece, United States.

Fruit, Fresh.—£1,891: South Africa, United Kingdom, United States.

Jams, Jellies, etc., Canned.—161,260 lbs., £4,774: United Kingdom, United States.

Jams, Jellies, etc., Other Kinds.—44,026 lbs., £1,508: United Kingdom.

Lard and Lard Substitutes.—120,582 lbs., £4,482: United Kingdom.

Oils, Edible.—7,216 gals., £2,661: France, United Kingdom.

Milk, Unsweetened.—1,068,848 lbs., £24,373: United Kingdom, 601,252 lbs., £15,214;

Holland, 331,347 lbs., £6,112; Denmark, 114,930 lbs., £2,464.

Milk, Sweetened.—128,538 lbs., £2,728: United Kingdom, Holland, Denmark.

Pickles, Sauces, etc.—£3,936: United Kingdom, £2,272; Italy, £803; Canada, £317.

Vegetables, Dried, Canned, etc.—214,914 lbs., £5,409: United Kingdom, 125,164 lbs., £3,132; United States, 25,103 lbs., £687; Belgium, 14,898 lbs., £264.

Meat.—Total, 16,541 cwt., £47,447.

Beef and Pork, Pickled or Salted.—254,068 lbs., £3,381: Sweden and other countries.

Meat, Canned or Bottled.—1,144,272 lbs., £27,218: Argentina, 946,570 lbs., £18,561; United Kingdom, 72,032 lbs., £4,343; Holland, 17,109 lbs., £1,038; and others, including Canada, 2,031 lbs., £84.

Meat, Smoked or Cured.—233,532 lbs., £7,887: United Kingdom, 65,218 lbs., £2,718; Denmark, 73,025 lbs., £2,537; Lithuania, 64,865 lbs., £920; and others, including Canada, 3,932 lbs., £237.

Sugar, Refined.—194,438 cwt., £140,915: United Kingdom, Czechoslovakia, France.

Salt, Table.—30,114 lbs., £704: United Kingdom.

Salt, Other.—1,157,493 cwt., £246,025: United Kingdom, 1,060,623 cwt., £226,429; Germany, 62,676 cwt., £13,026.

## SPIRITS, BEER AND WINE—TOTAL (£159,030)

Brandy.—3,190 gals., £5,483: France.

Gin.—100,484 gals., £36,931: Holland, 77,595 gals., £23,963; United Kingdom, 22,882 gals., £12,958.

Whisky.—28,855 gals., £33,801: United Kingdom.

Beer, etc.—358,474 gals., £54,975: United Kingdom, 137,864 gals., £22,629; Germany, 144,942 gals., £20,376.

## TOBACCO—TOTAL (£420,338)

Unmanufactured.—3,426,011 lbs., £159,078: United States, 3,372,563 lbs., £157,271.

Cigarettes.—£256,783: United Kingdom mainly.

## RAW MATERIALS (£388,305)

Oil, Illuminating.—£75,839: United States, Dutch West Indies.

Oil, Lubricating.—£33,479: United States, United Kingdom.

Oil, Fuel.—£16,105: United States, United Kingdom.

Motor Spirit.—£183,456: United States, Dutch West Indies.

Lumber, not Dressed.—130,699 super. ft., £1,982: United Kingdom, United States, Germany, Sweden.

Lumber, Wholly or Partly Dressed.—221,612 super. ft., £2,775: United States, 29,750 super. ft., £803; Sweden, 44,853 super. ft., £726; United Kingdom, 108,981 super. ft., £515; Canada, 17,032 super. ft., £328.

Lead in Sheets or Bars.—110 tons, £3,501: United Kingdom.



## MANUFACTURED ARTICLES (£8,460,169)

*Apparel.*—Total, £206,339.

Pullovers, etc.—340,623 items, £20,747; United Kingdom, Japan, Poland.

Shirts.—75,262 items, £11,067: United Kingdom mainly.

Boots and Shoes of Leather.—48,848 pairs, £12,929: United Kingdom, Czechoslovakia, Japan.

Boots and Shoes Other than Leather.—783,421 pairs, £35,955: Japan, Czechoslovakia.

Slippers.—2,793 pairs, £507: United Kingdom.

Headgear.—£64,257: Japan, United Kingdom, Czechoslovakia, France, Germany.

Apparel, n.o.p.—£60,887: United Kingdom, Japan.

*Chemicals, Drugs, Paints, etc.*—Total, £255,805.

Calcium Carbide.—468,107 lbs., £6,737: United Kingdom, Yugoslavia, Switzerland, Austria.

Chemicals, n.o.p.—£63,039: United Kingdom, Germany.

Potassium Iodide.—25,083 lbs., £6,961: United Kingdom.

Medicines and Drugs.—£102,770: United Kingdom, £82,386; Germany, £13,496; United States, £2,642.

Paints and Colours.—1,785,618 lbs., £35,824: United Kingdom.

Paint Oils, Varnishes, etc.—28,748 gals., £5,827: United Kingdom.

Blue.—433,555 lbs., £8,912: Belgium and United Kingdom.

*Clocks, Implements, Tools, etc.*—Total, £174,162.

Clocks and Watches.—£9,124: Germany, Japan.

Cutlery.—£21,627: Germany, United Kingdom, Japan.

Implements and Tools, Agricultural.—£67,585: Germany, United Kingdom.

Implements and Tools, Artisans.—£24,031: United Kingdom, Germany.

Implements and Tools, n.o.p.—£34,676: United Kingdom.

*Earthenware and Glassware.*—Total, £146,709.

Earthenware.—£100,441: Germany, £44,982; Japan, £36,965; United Kingdom, £6,828; Belgium, £4,298.

Glass Bottles, Lamp Chimneys, etc.—£16,255: Germany, United Kingdom, United States.

Glass and Glassware.—£25,860: Japan, United Kingdom.

*Iron and Steel Manufactures.*—Total, £970,639.

Corrugated Sheet.—14,111 tons, £227,073: United Kingdom, 9,955 tons, £165,344; Belgium, 3,856 tons, £56,160.

Buckets, Pails and Basins, Enamelled.—495,370 dozen, £52,834: Japan, 452,140 dozen, £34,472; Germany, 28,129 dozen, £13,437.

Buckets, Pails and Basins, n.o.p.—307,583 dozen, £49,833: Japan, 228,575 dozen, £20,707; Germany, 45,793 dozen £15,390.

Enamelware, Other.—£61,577: Japan, Germany.

Lamps and Lanterns.—158,132 dozen, £57,916: Germany, 64,531 dozen, £32,497; United Kingdom, 28,737 dozen, £12,829; Japan, 28,912 dozen, 4,198.

Iron and Steel Manufactures, n.o.p.—£521,406: United Kingdom, £335,378; Germany, £88,672; Belgium, £25,485; Japan, £25,106; United States, £10,790; Sweden, £10,630.

*Other Metals and Manufactures.*—Total, £89,161.

Brass.—£10,594: United Kingdom, Germany.

Copper.—£8,891: United Kingdom, Germany.

Lead, n.o.p.—£1,843: United Kingdom.

Tin Manufactures.—£66,919: United Kingdom mainly.

*Machinery.*—Total, £181,185.

Agricultural.—£535.

Electrical.—£7,058: United Kingdom.

Industrial.—£14,129: United Kingdom, Luxembourg.

Mining.—£14,043: United Kingdom, United States, Germany.

Railway.—£30,389: United Kingdom, Germany.

Sewing Machines.—6,603 machines, £33,476: United Kingdom, Germany.

Typewriters.—771 machines, £6,790: United Kingdom, United States, Germany.

Boats, Power.—£15,318: Germany and United Kingdom.

Machinery, n.o.p.—£52,750: United Kingdom mainly.

*Vehicles and Parts.*—Total, £558,811.

Bicycles and Tricycles.—24,937 machines, £90,296: United Kingdom, 21,506, £84,641; Japan, 2,623, £3,658.

Cycle Parts.—£60,715: United Kingdom, Germany.

Automobiles.—715 machines, £97,609: United Kingdom, 421, £55,901; United States, 155, £23,457; Canada, 102, £13,031; Germany, 37, £5,220.

Motor Trucks.—980 machines, £128,768: United States, 846, £107,914; United Kingdom, 57, £10,510; Canada, 66, £6,837; Germany, 11, £3,507.

Automobile and Truck Parts.—£45,027.

*Vehicles and Parts (continued)*

Automobile Tires and Tubes.—£63,156: United Kingdom, France, United States.

Cycle Tires and Tubes.—£21,649: United Kingdom mainly.

Railway Rolling Stock.—£35,154: United Kingdom, Germany.

*Textiles of All Kinds, Mainly Cotton.*—Total, £4,815,309: United Kingdom, Europe, China, India, Japan.

## MISCELLANEOUS MANUFACTURES

Arms, Ammunition and Explosives.—£52,817.

Bags, Trunks and Valises.—£10,087: United Kingdom mainly.

Blacking and Polishes.—£7,945: United Kingdom.

Brooms and Brushes.—£2,886: United Kingdom.

Candles.—£10,442: United Kingdom.

Cement.—£47,099 tons, £105,102: United Kingdom, 31,486 tons, £74,149; Germany, 9,578 tons, £19,490.

Cordage.—£53,867: United Kingdom, Japan.

Electrical and Telegraphic Apparatus.—£41,052: United Kingdom mainly.

Leather.—£409.

Oilcloth and Linoleum.—£1,449: United Kingdom.

Paper of all Kinds.—£28,604: United Kingdom mainly.

Stationery.—£67,276: United Kingdom mainly.

Rubber Manufactures, n.o.p.—£2,859: United Kingdom mainly.

Soap, All Kinds.—£36,682: United Kingdom, also Germany.

Wood and Timber, Manufactured.—£31,963: Germany, United Kingdom, United States, Finland, Sweden.

Casks, Shooks, Staves and Headings.—£131,921: United Kingdom, Germany, United States.

## THE BELGIAN CONGO AS A MARKET

## II. Foreign Trade in 1936

(The average value of the Belgian franc in 1936 and 1935 was 3·383 cents and 3·63 cents respectively; one metric ton equals 2,204·6 pounds)

The Belgian Congo has experienced a remarkable trade recovery in the past three years. This is specially true of exports, which have regained all the ground lost during the depression and are in value at about the same level as in 1930, the record year in the history of the colony, and in volume at the highest level ever established. Total imports have also improved in the last two years, but the upturn did not occur until 1935 and the advance has been much slower. Both in volume and value imports are still far below the figures of 1929, and it is doubtful if the high levels reached between 1927 and 1930 will again be experienced for some years to come. They were brought about by boom conditions resulting from the necessity of improving the agricultural and industrial equipment of the colony and the building of railroads and other public works. This increase in equipment was extensive, so that production facilities are still sufficient and it will be some time before replacements will be required.

The following table shows the general trend of trade in the past few years:—

Year	Exports		Imports	
	M. Tons	1,000 Fr.	M. Tons	1,000 Fr.
1928. . . . .	257,633	1,227,867	736,053	1,624,498
1929. . . . .	300,333	1,444,266	814,553	1,943,192
1930. . . . .	340,316	1,511,490	712,286	1,581,315
1931. . . . .	273,372	1,104,045	356,639	961,891
1932. . . . .	206,239	667,922	182,878	464,631
1933. . . . .	269,063	658,348	133,380	389,358
1934. . . . .	336,086	843,315	163,576	377,606
1935. . . . .	398,983	1,202,943	177,546	524,592
1936. . . . .	427,270	1,489,581	212,325	724,792

## EXPORTS IN 1936

Total exports of the Belgian Congo amounted in 1936 to 1,489,581,772 francs, compared to 1,202,943,444 francs in 1935, an increase of 286·6 million francs or



approximately 23·8 per cent. In weight, total exports increased from 398,983 to 427,271 metric tons, a gain of 28,286 tons or roughly 7 per cent. The increase was greatest in raw materials, exports of which showed a gain of 185 million francs and 18,142 metric tons. Exports of manufactured goods were higher by 19 million francs and 3,000 tons. Exports of food products increased by 5 million francs and 7,000 tons. The export items showing the greatest gains were palm kernels, lumber, peanuts, coffee, palm oil, cotton, copal, maize, zinc ore, oilcake, jute, sugar, tin ore, rubber, tin in pigs, cement, cocoa, sisal, and fresh fruit. There was, however, a considerable falling-off in exports of copper, which decreased by over 25,000 tons due to international agreements limiting production, and smaller decreases in uranium ores, rice, pepper, and ivory.

#### DISTRIBUTION OF EXPORT TRADE

Of the Congo's total exports in 1936, 77 per cent in value and 63 per cent in weight went to Belgium. These percentages are slightly higher than in 1935, when Belgium's share amounted to 76 per cent in value and 54·75 per cent in weight. The other ten leading customers, by order of importance, were: Germany, Mozambique, Angola, United States, French Equatorial Africa, South Africa, Holland, Italy, Tanganyika, and Uganda. Canada moved down the list from thirteenth place in 1935 to twenty-third place in 1936.

Official export statistics do not give a true picture of the situation, as exports are usually credited to the country of first destination or of transshipment. This is true of Mozambique, Tanganyika, Angola, and South Africa, from which Congolese goods are shipped to various parts of the world. It is specially true of Belgium, where goods from the colony are concentrated for later shipment to various markets, and should be noted in connection with the following table showing volume and value of exports to various countries in 1936:—

#### *Exports from the Belgian Congo in 1936*

	M. Tons	1,000 Fr.
Belgium . . . . .	269,229	1,153,909
Germany . . . . .	38,666	97,649
Mozambique . . . . .	41,014	86,694
Angola . . . . .	31,187	57,302
United States . . . . .	15,997	27,997
French Equatorial Africa . . . . .	6,178	15,534
South Africa . . . . .	10,446	14,751
Netherlands . . . . .	5,221	7,473
Italy . . . . .	2,706	6,606
Tanganyika . . . . .	251	5,872
Uganda . . . . .	124	5,742
Rhodesia . . . . .	3,297	5,053
Cuba . . . . .	1,589	1,827
Sudan . . . . .	928	1,722
France . . . . .	415	1,219

#### IMPORTS IN 1936

Total imports into the Belgian Congo for consumption amounted in 1936 to 724 million francs compared to 524 millions in 1935, an increase of 200 millions or about 38 per cent. In weight, total imports increased from 177,546 metric tons in 1935 to 212,326 tons in 1936, an improvement of 34,780 tons or 19·6 per cent. Imports in transit for other countries and generally all imports not declared for consumption showed a slight increase both in value and in weight.

The increase is greatest in manufactured goods, imports of which increased from 389 million francs in 1935 to 569 millions in 1936, while imports of food-stuffs rose from 86 millions to 96·6 millions, and imports of raw materials from 49·5 millions to 59 millions. The only decline was in living animals, imports of which fell from 128,554 francs to 83,148 francs.

It is noteworthy that manufactured goods accounted for 78 per cent of the total import value compared to 74 per cent in 1935 and 70·5 per cent in 1934, while foodstuffs accounted for 13 per cent and raw materials for 9 per cent as compared to 16·37 per cent and 9·5 per cent respectively in 1935.

#### DISTRIBUTION OF IMPORT TRADE

Belgium is, of course, the most important source of supply of imports into the Belgian Congo. Imports for consumption from that country in 1936 were valued at 291 million francs and represented 40 per cent of total imports as compared to 201 millions and 38·3 per cent in 1935. The other main supplying countries in order of importance were: Japan, Great Britain, United States, Germany, Dutch East Indies, France, and Holland. Canada was in thirtieth place in both 1935 and 1936.

The following table shows imports into the Belgian Congo, by weight and value, from the principal supplying countries in 1936:—

	M. Tons	1,000 Fr.
Belgium . . . . .	103,624	290,993
Japan . . . . .	7,677	131,865
England . . . . .	7,717	74,376
Angola . . . . .	10,724	14,764
United States . . . . .	8,999	59,551
Germany . . . . .	7,832	34,186
Dutch Indies . . . . .	15,669	16,687
France . . . . .	870	12,941
Netherlands . . . . .	1,337	12,852
Rhodesia . . . . .	20,591	5,102
British India . . . . .	2,305	7,841
South Africa . . . . .	1,340	7,801
Roumania . . . . .	3,332	3,210
Uganda . . . . .	1,657	6,141
Tanganyika . . . . .	2,263	5,911
Portugal . . . . .	1,039	5,150
Sudan . . . . .	1,525	5,057
Czechoslovakia . . . . .	710	4,898
Grand Duchy of Luxemburg . . . . .	2,224	4,288
Switzerland . . . . .	229	3,804
Denmark . . . . .	283	3,338

Here again, and to a much greater extent even than in the case of exports, statistics are far from reliable, as imports from countries such as Belgium and Great Britain comprise goods of many different origins. This is specially true in the case of Belgium, due to reduced ocean freight rates which often make it more advantageous to ship via Antwerp than direct from the country of supply. For this reason imports of Canadian goods are considerably higher than statistics indicate. In 1936 only 105·5 metric tons valued at 437,515 francs are credited to Canada, but this figure, due to the lack of direct freight services, cannot be taken as even an approximate indication of Canada's share in the Congo's import trade.

According to Canadian statistics, exports of Canadian goods to the Belgian Congo in 1936 were valued at \$76,404 as compared to \$36,222 in 1935 or, at the present rate of exchange, 2,292,120 francs in 1936 and 1,086,660 francs in 1935. These figures are considerably in excess of those given in Belgian statistics.

Belgium's share is therefore not as large as statistics indicate, nor is the spread between Belgium and Japan (the latter has moved from third place in 1935 to second place in 1936) as great as would appear from the above figures. Increasing competition from Japanese goods is due to the policy of free trade in the Congo to which Belgium is committed. Both the banks and the Government have made efforts to induce the large colonial enterprises to purchase as much as possible of their requirements in Belgium.



## LEADING IMPORT ITEMS

The leading items imported in 1936 are given below under six main divisions. The approximate value of the total imports of each item, in million of francs, is indicated within parentheses after each item:—

*Food Products.*—Dried, salted, or smoked fish (14·7 millions); salt in bags or in bulk (7·1); canned meat (7); wine (6·8); beer (6·75); alcoholic beverages (5·9); butter (5·8); cereal flour (4·7); milk (4·7); canned fish (3·4); cheese (2·7); canned vegetables (2·1); canned fruit (3); fresh fruit (1·8); prepared cocoa (1·8); edible oils (1·7); dried vegetables (1·3); lard (1·1); alimentary pastes (1·25); potatoes (1·15); refined sugar (1); fresh or preserved shellfish (0·8); dried fruit (0·45).

*Raw or Semi-manufactured Products.*—Light oils and gasolene (22·2); coal and coke (13·6); gas oil (2·8); lubricating oils (5·4); cement (5); sulphur (1·67); chemical and other fertilizers (0·6); lumber (0·45).

*Textile Goods and Clothing.*—Cotton piece-goods: printed (58·2), dyed (22), unbleached (15·5), mercerized (17), bleached (5·1); blankets (12); knit goods (10·7); lingerie, containing silk (2·1), not containing silk (18·3); hats and caps (5·1); men's clothing (6·6); cotton thread (3); sacks and bags (15·7); jute piece-goods (2·2); silk or rayon piece-goods (5·5); woollen piece-goods (1·8); rubber clothing (5·7).

*Machines and Tools.*—Electrical apparatus and machinery (17·4); machine tools (1·6); sewing and knitting machines (2·8); agricultural machinery (1·1); locomotives and locomobiles (2); other machinery (34·7); spare parts for locomotives and locomobiles (2·5); spare parts for other machinery (23·6); machettes and hoes (6·3); other tools (8·9).

*Vehicles and Parts thereof.*—Automobiles and trucks and spare parts thereof (38·9); bicycles and spare parts (5); railway cars and parts thereof (3·6); motor cycles and parts thereof (1·7); rubber tires (7·7).

*Other Manufactures.*—Cigars and cigarettes (14·5); pharmaceutical goods (11·8); chemical products (8); perfumery and soap (5·2); paints, dyes, and varnishes (4·9); galvanized sheet iron (9·5); sheet steel (3·6); steel rails (2); enamelled sheet iron (8·9); nails, screws, and rivets (2); steel bars (1·8); aluminium ware (2·6); paper (3); manufactures of paper and cardboard (4·4); leather boots and shoes (3·9); furniture of wood (1·5); furniture of iron or steel (1·4); ammunition (1·5); gunpowder and explosives (2·8); matches (1·2); scientific instruments (1·6); musical instruments (1).

## IMPORTS FROM CANADA

Imports for consumption from Canada, according to official statistics, were valued at 437,515 francs, or less than 1 per cent of total imports. The items in which Canada participated in 1936 or in 1935 are listed below, with main sources of supply and the extent of Canada's share in the total:—

*Canned Meat.*—Total imports of these goods in 1936 amounted to 504 tons valued at 7,000,000 francs. The chief supplying countries were Holland (2,362,407 francs), Belgium (1,778,932 francs), and Great Britain (1,073,341 francs). Canada was credited with 1·4 ton (3,845 francs) in 1935, but there were no imports from the Dominion in 1936. Imports of canned meat from the United States decreased in value from 742,342 francs in 1935 to 293,123 francs in 1936.

*Canned Milk.*—Total imports were 826 tons (4,678,332 francs). Imports from Belgium amounted to 1,690,918 francs, from Switzerland to 970,717 francs, and from Holland to 733,633 francs. Denmark, United States, Great Britain, and South Africa also had a substantial share of the trade. Imports from Canada amounted to 3,205 francs in 1935, but there were none from the Dominion in 1936.

*Canned Fish.*—Total imports were valued at 3,419,789 francs, almost 50 per cent coming from Portugal and the remainder mostly from Belgium, Great Britain, France, Germany, the United States, and Japan. Canada's share in 1936 amounted to 7,895 francs as compared to 21,409 francs in 1935.

*Fresh or Preserved Shellfish.*—Total imports amounted to 795,312 francs. Chief suppliers were Holland (137,796 francs), Great Britain (110,505 francs), Belgium, Norway, Japan, and South Africa. Canada's share amounted to 15,875 francs as compared to 3,905 francs in 1935.

*Flour from Cereals, other than Maize.*—Imports of this item, which includes wheat flour, were valued at 4,722,582 francs, of which the share of the United States amounted to 2,481,013 francs; Belgium, 1,438,132 francs; Uganda, 378,368 francs; and Canada, 183,926 francs as compared to 140,149 francs in 1935. Canada also shipped other cereal products (rolled oats, etc.) to the extent of 44,000 francs in 1936.

*Canned Vegetables.*—Total imports valued at 2,167,239 francs were supplied mostly by Belgium (70 per cent), Italy, and France. Canada is credited with 219 kilograms (1,130 francs) as compared with 377 kilos (2,503 francs) in 1935.

*Fresh Fruit.*—Total imports amounted to 343 metric tons (1,841,761 francs), of which South Africa accounted for 1,319,619 francs and Belgium for 361,716. Canada supplied 1,154 kilograms valued at 8,319 francs as compared with 79,000 francs in 1935.

*Canned Fruit.*—Total imports amounted to 2,050,912 francs, purchased mostly from Great Britain (408,145 francs), Belgium (344,434 francs), Switzerland (558,137 francs), South Africa (339,439 francs), and the United States (154,185 francs). Canada supplied 2 metric tons (12,745 francs) in 1935 and 3.3 tons (20,380 francs) in 1936.

*Silk Hosiery.*—Total imports amounted to 537,325 francs, the leading suppliers being Japan, Belgium, Great Britain, France, and the United States. Canada supplied 57 kilograms (21,247 francs) as compared to 18 kilograms (6,188 francs) in 1935.

*Automobile Tires.*—Total imports amounted to 7,760,000 francs. Leading supplying countries were: Belgium (2,985,117 francs), Great Britain (2,314,695 francs), United States (973,946 francs), and France (782,606 francs). Canada is credited with 10,235 francs as compared with 44,000 francs in 1935.

*Agricultural Machinery.*—Total imports valued at 1,111,405 francs were shared in mostly by the United States (214,850 francs), Great Britain (211,722 francs), and Belgium (466,214 francs). Imports from Canada under this heading were valued at 2,600 francs.

*Passenger Automobiles.*—Total imports amounted to 11,000,000 francs, almost the whole of which came from the United States. Imports from Canada amounted to 88,000 francs in 1935, but there were none from the Dominion in 1936.

*Motor Trucks and Tractors.*—Out of total imports of 1,500 tons (21,612,473 francs), the United States supplied 1,300 tons (17,471,200 francs). Canada's share amounted to only 30,750 francs.

*Spare Parts for Automobiles and Trucks.*—Total imports of 6,288,151 francs were supplied mostly by Belgium and the United States. Imports from Canada amounted to 34,428 francs.

*Paper.*—Total imports of 2,974,186 came almost exclusively from Belgium, Great Britain and South Africa being credited with small quantities. Imports from Canada amounted to 11,530 francs.

In addition to the above, the following goods have been imported from Canada in the last two years, but in negligible quantities: butter, refined petroleum, soap, cosmetics, cigars and cigarettes, cotton thread and cotton piece-goods, lingerie other than silk, ready-made clothing, manufactures of paper, printed books, glassware, steel furniture, and steel nuts and bolts.

## WHEAT AND FLOUR TRADE REGULATION IN EUROPEAN COUNTRIES<sup>1</sup>

### XI. Sweden

RICHARD GREW, CANADIAN TRADE COMMISSIONER

Oslo, September 21, 1937.—The regulations governing the wheat and flour trade of Sweden have undergone little change since the publication of a report on this subject in *Commercial Intelligence Journal* No. 1710 (November 7, 1936).

#### WHEAT

Imports of wheat into Sweden are subject to customs duties, milling taxes, mixing regulations, and an import licensing system. All these restrictions are incident to the grain control system which has been evolved over a period of years for the protection and support of the Swedish grain growers.

#### CUSTOMS DUTIES

The importation of wheat has been subject to a customs duty since 1888. In 1895 the duty was fixed at 3.70 kronor per 100 kilos, which is the equivalent

<sup>1</sup> Earlier reports in this series were published in the *Commercial Intelligence Journal* as follows: United Kingdom, No. 1748; Belgium, No. 1751; Germany, No. 1752; Norway, No. 1753; France, No. 1754; Finland, No. 1755; Irish Free State, No. 1756; Italy and Portugal, No. 1757; and Denmark, No. 1759.



of about 26.25 cents per bushel in Canadian currency at the present rate of exchange. Except during the war years, when the trade in wheat was free of all duties, and the period from 1920 to 1922 when a sliding scale of duties was in force, the rate of 3.70 kronor per 100 kilos has been in effect.

A slight modification was introduced in 1926, whereby exporters of Swedish wheat were issued certificates of export stating the amount of wheat which they had exported from the country. This certificate, upon presentation to the customs authorities, enabled the exporter to import a like quantity of foreign wheat duty free or to receive in cash an amount equal to the corresponding duty. This regulation has been amended in the past year, so that at present when a shipper exports a certain quantity of Swedish wheat he is only permitted to import duty free half the quantity of foreign wheat.

#### MILLING TAXES

Foreign wheat milled in Sweden and used for the production of flour or groats is subject to a milling tax of 2.50 kronor per 100 kilos net weight, which amounts to about 17.75 cents per bushel in Canadian currency. This tax, which is also applicable to domestic wheat, was brought into force on September 1, 1935, but at the same time the previous import tax of 5 kronor per 100 kilos, levied in addition to the customs duty, was abolished. The milling tax is collected by the Government Agricultural Committee, and the proceeds are used to defray expenses incident to the grain control system.

#### MILLING REGULATIONS

On June 13, 1930, the Swedish Government passed what is known as the Milling Resolution. This resolution (No. 249) came into force on September 1, 1930, and provided that all wheat and rye used in the production of flour must include a certain percentage of Swedish wheat and rye. This percentage known as the "milling percentage," is fixed periodically by decree and at present stands at 90 for both wheat and rye. This means that of the total amount of wheat or rye consumed by any given mill, 90 per cent must be of domestic origin and only 10 per cent of foreign wheat or rye.

It is provided, however, that while the total amount of wheat used must conform to the milling percentage, any given quantity milled may include a smaller percentage of domestic wheat. This smaller percentage is known as the "minimum percentage." At present this stands at 80 for wheat. There is no "minimum percentage" for rye.

The basic resolution states that these percentages must be fixed for each milling period in such a way that Swedish wheat and rye suitable for bread-making may be consumed within the year. In order to ensure the production of average good quality bread, however, the resolution provides that the milling percentage must not be too high for any given milling period.

#### MILLING AND MINIMUM PERCENTAGES, 1930 TO 1937

In the following table are given the milling and minimum percentages that have been fixed for wheat from time to time since September 1, 1930:—

Year	Milling Period	Milling Percentage for Wheat	Minimum Percentage for Wheat
1930	Sept. 1 to Oct. 31 . . . . .	60	40
	Nov. 1 to Dec. 31 . . . . .	75	50
1931	Jan. 1 to Feb. 28 . . . . .	80	55
	March 1 to July 31 . . . . .	85	60
	Aug. 1 to Sept. 30 . . . . .	80	55
	Oct. 1 to Nov. 30 . . . . .	70	55
	Dec. 1 to Dec. 31 . . . . .	60	50

*Milling and Minimum Percentages—Continued*

Year	Milling Period	Milling Percentage for Wheat	Minimum Percentage for Wheat
1932	Jan. 1 to May 31 . . . . .	60	50
	June 1 to June 30 . . . . .	50	45
	July 1 to Aug. 31 . . . . .	60	50
	July 1 to Sept. 16 . . . . .	80	60
	Sept. 17 to Oct. 15 . . . . .	85	65
1933	Oct. 16 to Dec. 31 . . . . .	90	70
	Jan. 1 to May 31 . . . . .	95	80
	June 1 to Dec. 31 . . . . .	98	80
1934	Jan. 1 to April 30 . . . . .	98	80
	May 1 to June 30 . . . . .	100	80
	July 1 to Dec. 31 . . . . .	100	85
1935	Jan. 1 to Aug. 31 . . . . .	100	85
	Sept. 1 to Dec. 31 . . . . .	90	80
1936	Jan. 1 to Aug. 31 . . . . .	90	80
	Sept. 1 to Oct. 31 . . . . .	90	80
	Nov. 1 to Dec. 31 . . . . .	90	80
1937	Jan. 1 to Jan. 31 . . . . .	90	80
	Feb. 1 to June 30 . . . . .	80	80
	July 1 to Aug. 31 . . . . .	90	80
	Sept. 1 to Oct. 31 . . . . .	90	80

The regulations outlined above comprise the most important protective measures in the Swedish grain control system. The milling percentages have tended to increase since the regulations came into force, which reflects the increase in the production of domestic bread grains.

**IMPORT LICENSING SYSTEM**

The importation of wheat (also rye or mixtures of wheat or rye or wheaten groats) into Sweden was formerly regulated by the Swedish Government, acting in co-operation with a group of mills known as the Swedish Grain Association. Under contract with the Government, the association had the monopoly for the importation of grain and flour, with the power to delegate its functions to individual millers and importers. In practice, the mills did the actual buying of foreign wheat, and importers bought the foreign flour when import was possible, but the transaction was controlled by the association.

This arrangement was terminated on September 1, 1935, and was superseded by the present import licensing system. A licensing body, known as the Government Board of Agriculture, was established, to which all importers must now apply for import permits. These are granted freely when the Board is satisfied that the milling regulations are being complied with, but the Board has power to withhold licences at any time.

**FLOUR**

The restrictions on the importation of flour into Sweden are more severe than those applying to wheat imports. The duty levied on imported flour is 6.50 kronor per bag of 100 kilos, or approximately \$1.69 in Canadian currency. There is also an import tax of 4 kronor per 100 kilos, or about \$1.04 in Canadian currency. The proceeds of this tax are employed to defray the expenses of the grain control system.

According to Decree No. 249 of June 13, 1930, any person who imports wheat flour into Sweden must, while the flour is still in the custody of the Customs authorities, cause flour of Swedish wheat to be mixed therewith so that the Swedish flour shall correspond, on the average, to the milling percentage in force, and not be less than the prescribed minimum percentage in respect to any part of the consignment. The terms "milling percentage" and "minimum percentage" have been explained in the section of this report dealing



with wheat. As applied to flour, the minimum percentage is available for imports over short periods or for special lots, but in such cases importers must take correspondingly less foreign flour for other lots, so that the average corresponds to the milling percentage in force for the milling period.

The Government Board of Agriculture also exercises supervision over the importation of flour by means of an import licensing system. The operation of this system has resulted in an almost complete cessation of flour imports, as will be seen from the import statistics which will appear later in this report.

### GRAIN CONTROL SYSTEM

The Swedish grain control system was revised in 1935, and from September 1 of that year a new system came into operation. The Swedish Grain Association was dissolved, and their contract with the Government was cancelled. In its place, a new organization, known as the Swedish Grain Company, was formed to take over the functions of the Grain Association. This new organization is a joint stock company with a capitalization of 10,000,000 kronor (about \$2,600,000 in Canadian currency). All the shares, except five, are held by the Government which appoints the Board of Directors. The activities of the company are controlled partly by government regulations and partly by the annual contract which remains in force from September 1 to August 31 of the following year.

The most recent contract, which came into force on September 1 of this year, does not differ in its main essentials from the two previous contracts for the periods September 1, 1935, to August 31, 1936, and September 1, 1936, to August 31, 1937.

### EMERGENCY GRAIN STOCK

One of the chief provisions of this contract requires the company to store for the account of the Government 100,000 metric tons of bread grain of good milling quality as an emergency stock. Although it is stated in the contract that the emergency stock must not be reduced, the company may sell grain from this stock provided the company purchases or has purchased a like amount of bread grain of good millable quality corresponding to the amount sold. If market conditions are such that the Company does not consider it expedient to re-purchase at any given time, the question must be submitted to the Government. In this connection, it may be mentioned that, at the time of writing, the emergency stock consists of 85,000 tons.

### DOMESTIC BREAD GRAINS

The company also agrees to purchase and sell domestic grains on suitable occasions, and at prices fixed in such a way that the cost of bread to the consumer is not unduly enhanced. Purchases and sales of domestic grains by the company are subject to the quality requirements and price-regulating scales for different qualities which are issued by the Government Board of Agriculture. Without permission from the Government, the company is not permitted to sell Swedish wheat or rye at prices lower than the market price at the time of sale. At the time of writing the market price of Swedish wheat is 20 kronor per 100 kilos (about \$1.42 per bushel in Canadian currency). By a recent regulation, the Government has fixed a price of 16 kronor per 100 kilos (about \$1.13 per bushel in Canadian currency), below which level the price of wheat should not fall. During the last three months that the contract is in force, the minimum price for wheat is fixed at 17.50 kronor per 100 kilos (about \$1.24 per bushel in Canadian currency). As a result of this new regulation, and the present market price, the company has not been active in the

purchase of Swedish wheat, and as long as the price does not fall to the fixed minimum, there is little likelihood that the company will enter the market to support the price.

#### MAXIMUM GRAIN STOCK

A further restriction on the activities of the company is that the stock of grain held by the company must not exceed 125,000 metric tons over and above the 100,000 tons of emergency stock.

In order to defray the expenses incurred in the operation of the company, an annual subsidy is granted, the amount of which is fixed each year. In return, the company must remit to the Treasury the total sum received as the result of grain sales after the total outlay in connection with the re-purchase of grain and the general working expenses of the company have been deducted.

#### PREVIOUS SYSTEM

The grain control system, outlined above, differs in some important particulars from the previous system which was in force from September, 1930, to September, 1935. Under the previous system, the Swedish Grain Association was bound by contract to purchase all the good quality domestic wheat and rye offered for sale between June 1 and July 31 of each year at prices fixed by the Government. Also, the association possessed an import monopoly for bread grains and flour. The present company has no import monopoly, and a system of protective purchases has replaced the fixed price system.

#### IMPORTS OF WHEAT

The statistics, which are shown in the following table, give the quantity of wheat imported into Sweden from 1930 to 1936 inclusive, together with country of shipment until 1935 and country of origin in 1936. Principal countries only are listed.

It will be noted that in 1933 a sharp drop occurred in the quantity imported, and since then the amount has remained fairly stable. During the past four years, the imports have averaged approximately 48,000 metric tons. For the three years prior to 1933, imports averaged 156,000 tons. Thus there has been an average decline of about 108,000 tons per year between the two periods.

#### *Imports of Wheat into Sweden by Principal Countries*

Countries of Shipment or Origin	1930	1931	1932	1933	1934	1935	1936
	Figures in Metric Tons						
Total . . . . .	175,785	122,327	170,775	53,036	45,861	42,602	48,714
Denmark . . . . .	14,136	6,107	4,999	2,108	5,821	6,673	92
Soviet Russia . . . . .	4,091	5,521	2,508	.....	842	180	.....
Germany . . . . .	29,045	13,492	21,361	3,542	1,748	125	.....
Netherlands . . . . .	430	3,037	2,551	727	1,768	3,722	.....
Belgium . . . . .	.....	.....	301	.....	.....	1,831	.....
Great Britain . . . . .	4,355	288	2,695	589	1,199	270	.....
France . . . . .	4,329	.....	1,724	.....	.....	.....	.....
British North America . .	44,790	38,838	55,070	19,584	6,295	2,482	35,275
United States . . . . .	53,433	52,500	43,984	24,908	27,093	26,819	11,700
Argentina . . . . .	19,027	2,543	24,242	903	1,095	498	1,646
Australia . . . . .	444	.....	11,314	675	.....	.....	.....
Other countries . . . . .	1,705	.....	26	.....	.....	2	1

The drastic decline in wheat imports during the past four years is explained by the increased production of domestic wheat. This additional production has brought about an actual surplus, and as the domestic price of wheat has been maintained well above world prices, it has been found necessary to restrict imports to types of wheat required for mixing with the soft Swedish wheat. The United States and Canada have been the principal supplying countries



according to the import figures, but most of the wheat credited to the United States is probably of Canadian origin.

Domestic wheat production now being greater than consumption, the question of disposing of the surplus is one which will have to be solved during the current season. At present it is estimated that Sweden will have an exportable surplus of more than 100,000 tons. As yet no serious situation has arisen owing to the fact that the farmers are extraordinarily well organized on a co-operative basis. The central organizations in each district have taken over the farmers' crop which is being held in the hope that either conditions will gradually improve of their own accord, or the Government may take adequate measures to prevent the occurrence of any serious loss.

EXPORTS OF WHEAT

The following table shows the annual exports of wheat from Sweden since 1930, together with the chief countries of destination:—

*Swedish Exports of Wheat by Principal Countries*

Countries of Destination	1930	1931	1932	1933	1934	1935	1936
	Figures in Metric Tons						
Total . . . . .	11,159.3	298.8	720.4	266.4	24,047.7	122,346.3	91,280.9
Norway . . . . .	215.9	34.5	12.8	.....	2,462.0	2,298.1	3,629.5
Denmark . . . . .	5,852.7	22.8	15.3	.....	14,878.4	6,146.3	49,437.2
Finland . . . . .	36.9	23.7	540.0	126.1	.....	2,230.5	6,084.8
Estonia . . . . .	.....	.....	65.1	27.7	.....	.....	2,625.0
Germany . . . . .	3,314.0	.....	.....	.....	3,240.7	.....	.....
Netherlands . . . . .	1,232.3	11.8	7.3	.....	3,414.3	32,797.3	3,698.0
Great Britain . . . . .	262.9	.....	10.1	.....	11.5	77,479.4	24,955.7
Other countries . . . . .	244.8	206.1	69.8	112.6	40.7	1,394.5	849.9

During the past year, Denmark was the most important purchaser of Swedish wheat, which was probably due to the fact that harvests generally were poor in Denmark during 1936, and additional quantities above normal requirements were necessary. In the previous year, the United Kingdom took more than 63 per cent of the total quantity exported, followed by Holland which imported 26 per cent of the remainder. Prior to 1935, the quantity of wheat exported from Sweden has not been important, the other Scandinavian countries taking the greatest proportion of the surplus.

PRODUCTION OF WHEAT

The following table shows the area sown to wheat in Sweden, as well as the production in metric tons and bushels since 1930.

Year	Area	Yield	
	Acres	M. Tons	Bushels
1930 . . . . .	646,334	566,600	20,811,218
1931 . . . . .	682,602	463,573	17,027,036
1932 . . . . .	684,862	655,223	24,066,340
1933 . . . . .	748,105	716,796	26,327,917
1934 . . . . .	717,692	756,783	27,796,640
1935 . . . . .	673,965	642,562	26,300,302
1936 . . . . .	694,477	595,807	21,883,990

It will be seen from the above table that, while the greatest acreage occurred in 1933, the largest crop was produced in the following year. Since 1934, the yield showed a decided decline, although it is estimated that for the current year the crop will be approximately 700,000 tons. In 1936 the crop was 4,500,000 bushels less than the previous year, although the acreage was greater by 21,000 acres. As in the case of most European countries, the harvest in Sweden during 1936 was below average.

## CONSUMPTION

If exports are deducted from the total quantity of wheat produced and imported, an approximate idea of the consumption may be obtained. This is shown in the following table.

Year	Imports	Production Figures	Total in Metric Tons	Exports	Consumption
1930.. . . . .	175,785	566,600	742,385	11,159	731,226
1931.. . . . .	122,327	463,573	585,900	299	585,601
1932.. . . . .	170,775	655,223	825,998	720	825,278
1933.. . . . .	53,036	716,796	769,832	266	769,566
1934.. . . . .	45,861	756,783	802,644	24,048	778,596
1935.. . . . .	42,602	642,562	685,164	122,346	562,818
1936.. . . . .	48,714	595,807	644,521	91,280	553,241

The figures in the consumption column vary considerably from year to year, and no accurate conclusions can be drawn. It would appear as though the consumption of wheat was on the decline, but such an assumption is not believed to be correct, particularly when domestic production has shown an important advance. A possible explanation is that during the years when consumption is shown to be the greatest, it may have happened that considerable quantities of wheat for feeding purposes had to be purchased from abroad.

## IMPORTS OF FLOUR

The imports of flour have declined to negligible quantities, during the past few years. The average quantity imported during the past four years has been 153 tons. Owing to the regulations which are in force, by which imported flour must be mixed with Swedish flour in accordance with the mixing percentage prevailing at the time, as well as the fact that import licences must be obtained, it would appear that the restrictions have made conditions unsuitable for the importation of foreign flour.

## PRODUCTION OF FLOUR

The production of wheat flour has remained at a fairly constant level for the past several years. Average production for the years 1926-1930 amounted to 286,644 metric tons as compared with an average of 296,998 metric tons for the years 1931-1935 inclusive. Production for the years 1934 and 1935 amounted to 296,479 tons and 300,231 tons respectively.

During 1935 and 1936, exports of wheat flour amounted to 926 tons and 322 tons respectively, previous to which, exports have been negligible since 1930. As imports have also been negligible for the past six years, it may be roughly calculated that the annual consumption of wheat flour is between 295,000 and 300,000 metric tons.

## TRADE AND CLEARING AGREEMENTS

In view of the regulations at present in force governing the wheat and flour trade of Sweden, no trade or clearing agreement with other countries concerning these commodities has been signed.

## JAPANESE EXPORTS OF RUBBER FOOTWEAR

A. K. DOULL, ASSISTANT TRADE COMMISSIONER

Tokyo, September 14, 1937.—According to the Japanese Rubber Goods Exporters' Association, exports of various kinds of rubber footwear for the first six months of this year amounted to 872,675 dozen pairs valued at 6,164,431 yen, of which 782,811 dozen pairs (5,325,116 yen) were rubber-soled canvas shoes and 89,864 dozen pairs (839,315 yen) were whole rubber footwear. There was an increase in total volume of 105,876 dozen pairs and in value of 1,537,685 yen as compared with the same period of 1936. With the exception of exports to



British India and Europe, these figures represent an increase of 10 per cent in quantity and 25 per cent in value.

This increase was principally due to a greater demand from the South Seas and Africa. A considerable decrease in exports to British India is said to be due to an increase in domestic production in that country.

Shipments for the period under review to various markets were as follows: South Seas, 354,514 dozen pairs (2,023,512 yen); British India, 38,019 (375,580 yen); Africa, 270,236 (2,145,878 yen); Australia, 35,841 (328,416 yen); Latin America, 32,516 (246,348 yen); Europe, 67,926 (469,251 yen); Near East, 79,690 (540,765 yen); North America, 2,933 dozen pairs (34,681 yen).

## POINTS FOR EXPORTERS TO JAPAN

C. M. CROFT, COMMERCIAL SECRETARY

Tokyo, September 11, 1937.—Japan proper comprises the mainland, Shikoku, Kyushu, Hokkaido, Chishima, Ryukyu, and groups of islands over 400 in number. It lies between longitude 122° 45' and 156° 32' E. and latitude 24° 6' and 50° 56' N., the total area being 147,611 square miles, and has, according to the last census, a population of 69,251,265. Mountain ranges and volcanic chains traverse the Japanese islands, and many high peaks are found in every part of the country. The rivers are generally rapid, of little value for water carriage, being largely employed for generating water-power. The plains, though few in number, have a rich and fertile soil and contribute much to the development of industry. The coastline is little indented in the Japan Sea, but there are numerous bays on the Pacific Coast with many good harbours. The climate of Japan, in general, is mild but humid.

### NATURAL RESOURCES

#### AGRICULTURE

Only one-seventh of the area of Japan is arable land and of this little more than half are paddy fields while the rest are farms. The number of farm households totalled 5,617,486 at the end of 1934, which represents 44 per cent of the total number of households in Japan proper. The annual average agricultural production is valued at 3,000,000,000 yen, excluding sericulture, which is valued at 500,000,000 yen. The principal products are cereals, which are valued at 2,000,000,000 yen per annum. These include rice, wheat, and barley. Other products are soya and red beans, potatoes, tobacco, rapeseed, sugar cane, watermelons, eggplant, turnips, radishes, cucumbers, mandarins, persimmons, pears, apples, grapes, tea, livestock, poultry, milk, and eggs. Intensive cultivation is practised, the average farm being from 2 to 2½ acres in extent. Cultivation is done by human labour and with simple implements, although the ox and horse are used to some extent.

#### FORESTRY

The forests of Japan cover 58,428,603 acres, or nearly 62 per cent of the total area of the country. Forest production is valued at about 300,000,000 yen per annum. The total standing timber in Japan proper (Hokkaido excluded) consists of 578,415,000 cubic metres of coniferous trees and 678,878 cubic metres of broad-leaved trees.

#### MINING

The principal metal products include gold, silver, copper, iron, zinc, tin, and lead, while the principal non-metallic products are coal, petroleum, sulphur,

sand, and stone. In 1935 the total output of mines was valued at 610,930,000 yen.

#### FISHERIES

The annual value of the production of aquatic products amounts to over 500,000,000 yen. These consist for the most part of sardines, herring, anchovy, bonito, mackerel, tunny, yellow tail, salmon, shell-fish, carp, eel, fish oil and fertilizers.

#### INDUSTRY

During the last five years alone the share of factory output in the total of national production has increased from 64·2 to 69·1 per cent. Before the depression in 1929 it was only 60·9 per cent; in 1914 it had been 43·6 per cent. In 1935 factory production was divided as follows (in million yen): textiles, 3,168; metals, 1,497; machinery and instruments, 1,159; ceramic, 252; chemical 1,481; lumber and woodworking, 229; foodstuffs, 1,046; other industries, 549.

Total production in 1935, according to the Ministry of Commerce and Industry, amounted to 10,836,894,120 yen. In that year there were 85,174 factories employing 2,369,277 workers. In addition there are thousands of household industries (each employing less than five persons) for which statistics are not available, but with an estimated production of about 4,000,000,000 yen.

#### PRINCIPAL CITIES

Tokyo, the seat of the Government, is the largest city of Japan, followed by Osaka, the industrial centre of Japan. According to the third decennary census taken October 1, 1935, the population of the leading cities was as follows: Tokyo, 5,875,667; Osaka, 2,989,874; Nagoya, 1,082,816; Kyoto, 1,080,593; Kobe, 912,179; Yokohama, 704,290; Hiroshima, 310,118; Fukuoka, 291,158; Kure, 231,333; Sendai, 219,547; Nagasaki, 211,702; Yawata, 208,629; Hakodate, 207,480; Shizuoka, 200,737.

#### PRINCIPAL PORTS

Kobe, Yokohama, and Osaka are the most important ports of Japan. The foreign trade through these ports amounts to about 84 per cent of the total trade of Japan. Yokohama is the centre of the silk trade and the chief clearing port for Tokyo, which is eighteen miles away. Kobe is the main port of entry for the industrial centres of Osaka and Kobe. The value of the imports and exports handled by the leading ports of Japan for 1936 were:—

	Exports Yen	Imports Yen
Kobe . . . . .	970,784,189	958,219,708
Yokohama . . . . .	678,323,067	687,012,153
Osaka . . . . .	672,232,979	593,263,783
Nagoya . . . . .	131,500,961	108,777,074

#### FOREIGN TRADE

In 1935 Japan occupied fifth place in the world's import trade, sixth place in the export trade, and ranked fifth in total trade. The following figures indicate Japan's trade for the years 1927 to 1936:—

	Exports	Imports	Total
	Figures in 1,000 Yen		
1927 . . . . .	1,992,317	2,179,153	4,171,471
1928 . . . . .	1,971,955	2,196,314	4,168,270
1929 . . . . .	2,148,618	2,216,238	4,364,856
1930 . . . . .	1,469,852	1,546,070	3,015,923
1931 . . . . .	1,146,981	1,235,672	2,382,653
1932 . . . . .	1,409,991	1,431,461	2,841,452
1933 . . . . .	1,861,045	1,917,219	3,778,265
1934 . . . . .	2,171,924	2,282,601	4,454,526
1935 . . . . .	2,499,073	2,472,236	4,971,309
1936 . . . . .	2,692,975	2,763,681	5,456,656



## PRINCIPAL IMPORTS

The principal imports are raw cotton, wool, crude and heavy oil, and iron and steel, making up approximately 50 per cent of the total. Other important imports are pulp, ores, wood, rubber, beans and peas, wheat, sulphate of ammonia, copper, lead, automobiles and parts, gasoline, etc. Exports consist chiefly of cotton tissues, raw silk and artificial silk tissues, which together amount to about 40 per cent of the total exports from Japan. Other exports are machinery and parts, iron, canned or bottled goods, knitted goods, woollen tissues, pottery, iron manufactures, cotton yarns, vegetable fatty oil, and toys.

## JAPAN AS A MARKET

The basic aim of the industrial life of Japan is to build up her own industries and to manufacture everything possible at home. Hence she is an importer primarily of raw and semi-manufactured products. The cost of manufacturing is relatively cheap, and with a high protective tariff it is difficult to find a market for fully manufactured articles in this country. Although Japan has a large population, the general purchasing power is low. The market is therefore one of price. Prospective exporters should keep this in mind and quote the lowest prices possible when trying to do business. The following list will give some indication of the class of goods shipped to this market from Canada, based on the Canadian returns for the fiscal year ending March, 1936: non-ferrous metals and their products, wood and wood products and paper, agricultural and vegetable products, except chemicals, and fibres and wood, all of which amounted to 63 per cent of the total exports from Canada to Japan. According to the Japanese returns for the calendar year 1936, the principal imports from Canada were lead, wheat, aluminium, newsprint, lumber, pulp, and zinc.

There are possibilities for other kinds of Canadian goods. Small orders should not be overlooked as they help to make Canadian goods known and give the manufacturer a foothold in a market that will be of increasing value to the Dominion as the purchasing power of the Japanese people increases.

## CREDIT INFORMATION

Practically all foreign firms offering goods to Japanese buyers do so on the basis of the c.i.f. cost cash against documents, or against a confirmed letter of credit established before goods are shipped. In a few instances shipments are made against a 30-, 60-, or even 90-day draft. In other cases losses have occurred in doing business in this way, probably due to unreliable credit information received, or to no credit data at all. In obtaining ratings through private sources, it is obviously desirable to secure information from several quarters. By means of the various banks and financial rating agencies, exporters should obtain sufficient data.

The principal agencies in Japan are the Teikoku Koshinsho, Limited, and the Shogyo Koshinsho, Limited (mercantile inquiry agencies). The principal foreign banks are the Hongkong and Shanghai Banking Corporation, with offices in Kobe, Tokyo, and Yokohama; the Chartered Bank of India, Australia, and China, with offices in Kobe and Yokohama; the National City Bank of New York, with offices in Kobe, Osaka, Tokyo, and Yokohama; the Nederlandsche Indische Handelsbank, with offices in Kobe and Tokyo; the Nederlandsche Handel Maatschappij, N.V., with an office in Kobe; the Banque Franco-Japonaise, with offices in Tokyo and Kobe; the Bank of China, with an office in Osaka; and the Manchukuo Central Bank, with an office in Tokyo.

The principal Japanese banks are the Bank of Japan, the Bank of Chosen, the Bank of Taiwan, the Industrial Bank of Japan, the Hypothec Bank of

Japan, the Yokohama Specie Bank, the Mitsui Bank, the Mitsubishi Bank, the Sumitomo Bank, the Dai-ichi Bank, the Yasuda Bank, and the Hundredth Bank. The first three banks are the state banks and have the right to issue bank notes. The Bank of Japan is of course the most important bank in Japan as it is the central state bank. The Yokohama Specie Bank acts as the central exchange bank of Japan and fixes daily foreign exchange quotations.

#### REPRESENTATION

The Japanese market is a very difficult one owing to the difference in race, language, and methods of doing business. Thus it is always advisable for a firm desiring to enter this market to send their own representative to make a special investigation and study conditions at first hand. This is especially true of firms wishing to sell technical lines. This procedure also enables the exporter to make personal contacts which are of great assistance in handling any subsequent business. If it is impossible to send a special representative, Canadian firms should send full information regarding their products to the Trade Commissioner so that he may be in a position to canvass the market as to the possibility of doing business. It is always advisable to send all samples to the Trade Commissioner, but only when requested to do so. A number of Japanese firms are inclined to be inordinate in their requests for samples.

#### CO-OPERATION WITH TRADE COMMISSIONERS

This matter has been dealt with concisely in a special leaflet issued by the Department of Trade and Commerce, Ottawa, which is available on request. It is suggested that this leaflet should be carefully read before communicating with this office, when every assistance will be rendered to intending exporters.

#### CORRESPONDENCE

All the large Japanese firms, and a great many of the smaller but none the less important concerns, have on their staff members who have lived in the United Kingdom or North America, or who have studied English, and so are in a position to carry on correspondence in that language and thus fully understand catalogues and trade papers printed in English.

#### CATALOGUES AND ADVERTISING

Newspapers and periodicals as a medium of advertising are used mostly by local dealers, who, with a few exceptions, do not advertise as extensively as in other countries. Practically all the magazines printed in English that are offered for sale are of foreign origin, and those published in Japanese contain very few advertisements relating to foreign merchandise. Street car advertising space is mostly taken up with publicity relating to the products of Japan. Canadian firms would not gain any special advantage by making direct use of Japanese publications, although a possible advantage might result if the newspapers published in English were used in order to bring before the consuming public such commodities as are a daily necessity. Considerable window display advertising is done, and exhibitions are held frequently in department stores from which results have been obtained. Catalogues form a very good medium through which to bring goods before the public. The Japanese spend hours looking over these publications, and even though they do not understand English, the cuts and drawings appeal to them and they have friends who make translations for them. In sending forward catalogues, care should be taken to see that the goods illustrated are such as are saleable in this country.

All quotations in catalogues for Japan should be net, as local merchants upon receipt will at once compare prices with those of other countries, and if



obliged to figure discounts on each article before making rough comparison of prices, will be much more inclined to throw them aside unread than make the necessary computations unless there is some specially urgent reason why they should wish to buy from any particular house.

### QUOTATIONS

Canadian firms endeavouring to do business in Japan should quote in either Canadian or United States dollars. This method, if combined with a price c.i.f. main Japanese ports, enables the importer here to figure out his laid-down cost, and enables him at the same time to compare the prices with those of other countries—a practice that is always followed, as Japan is very much a price market. In cases where c.i.f. quotations cannot be made, prices should be given f.o.b. shipping port: the Japanese import firm is not always in a position to obtain the necessary ocean and other charges to the port in this country. Quotations should be net when possible, but if discounts seem necessary they should be simple in nature and not involve a great deal of calculation. Great care should be taken in following exactly the conditions of sale. Goods should be up to sample, shipped on time, and all marks and papers should agree, otherwise there is always the possibility that they will be refused. This has happened at times on very flimsy grounds.

### INVOICING

There is no regulation enforcing any particular style of invoice, but in order to get clearance of goods from the customs an invoice signed by the exporter, partner, or manager of the exporter must be produced showing the value in the currency of the country of manufacture of the merchandise to be imported, the contents of the various packages, marks and numbers thereon, and the various quantities and weights.

In addition to showing the actual selling price to the purchaser in Japan, a special note should be made regarding the cost of freight, insurance and packing charges, provided the invoice does not distinctly state that the price mentioned is c.i.f. a definite Japanese port; the c.i.f. price is the basis on which the duty is imposed in the case of goods assessable under *ad valorem* duties. Invoices should be sent forward at least in duplicate, and a special effort should be made to have at least one copy arrive by the same boat as the shipment, otherwise considerable delay—and in some cases considerable expense—is entailed, as demurrage charges, especially in the case of lumber shipments, sometimes amount to a high figure. The customs authorities will not clear shipments without having first filed a signed invoice from the original shipper. Invoices must be signed in full, not initialled.

### PACKING

Good strong cases must be used for shipments to Japan. The wood should be of sufficient strength to stand the handling of the cases into lighters and godowns, and the contents should be so secured that there will be no movement and consequent damage in transit.

It might be pointed out that in packing for this market consideration should be given to the following points:—

- (1) As the climate of Japan is very humid, articles which are subject to dampness should be protected by a waterproof covering on the inside of the case.
- (2) All heavy cases should be strapped so as to add greater strength to the package.
- (3) As a convenience to the Customs authorities, and also to the Japanese importer, all boxes, cases, etc., should bear a serial number, the number on the case corresponding to a similar number on the invoice, so that the customs

inspector or importer may refer to this in order to find out the contents of the case. When the customs authorities know what a case contains, and it is addressed to a well-known importer, it may not be opened. On the other hand, when cases are not properly numbered, or a reference given to the invoice, they are always opened at the customs shed and the contents carefully examined, especially so if one case is found to contain a miscellaneous lot of articles.

### SHIPPING ROUTES

There are no direct steamship lines from Montreal, Halifax, or Saint John to Japan. However, goods may be transhipped at Boston or New York or sent by coastwise steamers to Vancouver via the Panama Canal. From Vancouver there is frequent service both for passengers and freight. The Canadian Pacific, Dollar, Osaka Shosen Kaisha, Blue Funnel, and Nippon Yusen Kaisha lines carry passengers and freight, and in addition there are numbers of lumber boats and tramp steamers. A point seldom realized by Canadian exporters is the proximity of the Japanese market to Canada. Freight can be delivered in Yokohama nine days after it is put on board at Vancouver. This makes possible delivery of orders in Japan three to four weeks after they have been received.

### BILLS OF LADING

No special form of bill of lading is required, but the form to be used is regulated by the general custom of the trade. However, it is of great importance that properly endorsed bills of lading should reach the importer by the same steamer as that upon which the goods are shipped, as great inconvenience is occasioned when these do not promptly come to hand. In the event of non-receipt, the steamship companies demand letters of guarantee signed by a specific bank before delivery orders will be issued. From past experience these properly endorsed letters of guarantee have been rather difficult to obtain, and as a result the importer in most cases has been unable to clear his merchandise from customs until the properly signed bills of lading have been received.

### PARCEL POST SHIPMENTS

Canadian exporters sending merchandise to Japan through parcel post should give great attention to the packing of the articles, and care should be taken to see that it is such as will conform with the postal regulations. These require that every parcel should be securely and substantially packed without unduly adding to the weight of the package, but packed in such a way that it can be opened without damaging the cover when the contents are examined by the customs officials. In making out the necessary customs declaration, care should be taken to state the exact value and contents of each parcel and to have the declaration securely attached to each parcel.

Too much attention cannot be given to packing: parcels are subjected to considerable rough handling incidental to their rail and water journey of 7,000 or 8,000 miles, with various transshipments en route, and require far more care in this way than do parcels for domestic delivery.

### POSTAGE RATES

The rate on letters to Japan is 5 cents for the first ounce and 3 cents for each additional ounce. Parcel post rates are 20 cents for the first pound and 20 cents for each additional pound up to 11 pounds, which is the limit accepted for parcel post. It is important that letters to this country carry sufficient postage, as double postage must be paid on whatever is overdue. There is a long delay before letters bearing insufficient postage are delivered in Japan, and an



unfavourable impression is created in the mind of Japanese business men by the receipt of letters bearing short postage.

#### TRADE-MARKS

As priority of registration and not priority of use establish trade-marks and patents in Japan, Canadian firms contemplating this market should first have their patents or trade-marks established. The Trade Commissioner is in a position to secure reliable persons to whom this matter may be entrusted.

#### BASIS OF DUTY

The import tariff of Japan is divided into two columns—general and conventional. The conventional rate, when applicable, is accorded to Canada and other countries enjoying most-favoured-nation treatment. According to the Japanese Customs Tariff Law, the authorities have the right to levy the duty upon an article subject to an ad valorem duty according to the domestic value of the goods in Japan on arrival at the time of importation. This regulation, however, is not applied unless it is obvious that the invoice submitted does not state correctly the value of the shipment, or if it shows that it has been prepared "for customs purposes." In view of continued changes taking place in import tariff rates, import restrictions, exchange control, etc., it is well for exporters to apply to the Foreign Tariffs Division, Department of Trade and Commerce, Ottawa, or to this office, for latest particulars in this regard.

#### IMPORT EXCHANGE RESTRICTIONS

With regard to import restrictions and exchange control which have recently come into effect due to present abnormal conditions (these may be only temporary), foreign exchange, letters of credit, etc., are granted for imports considered necessary—imports of so-called luxury and non-essential products being restricted. Imports unaccompanied by bill of exchange for the whole or part of their value may be prohibited unless special import permit is granted by the authorities. Consignments are therefore to be avoided, as it is advisable to make sure of payment before shipment of goods.

#### CURRENCY

The basis of the Japanese currency is the yen, which is equivalent at par to \$0.4985 (gold). For the last three years the yen has remained fairly steady at approximately 29 cents Canadian currency.

### BEEF CATTLE PRICES AND COSTS IN ARGENTINA

J. A. STRONG, CANADIAN TRADE COMMISSIONER

Buenos Aires, September 8, 1937.—Chilled beef accounted for 58 per cent in value of all the meats, including pork and mutton, exported during the first half of 1937 from Argentina. Frozen beef and canned meats each accounted for 10 per cent, leaving 22 per cent for all other meats and meat by-products except hides. Exports of chilled beef amounted to 348,531 tons in 1935, of which the United Kingdom took 348,305 tons. There was a slight increase in 1936 to 357,473 tons, 357,163 tons going to the United Kingdom.

Since Argentina is dependent on the United Kingdom market as an outlet for her chilled beef, and as the chilled beef trade is the backbone of the Argentine cattle industry, the imposition of the United Kingdom meat duties was a matter of serious concern to this country. Under the trade agreement between Argen-

tina and the United Kingdom, signed last December, the quantity of Argentine chilled beef admitted to the United Kingdom in 1937 shall not be less than the quantity imported from that country in 1935—Argentine shipments were 348,531 tons in 1935—less 138,700 cwts. For each of the years 1938 and 1939 the quantity Argentina may supply will be arranged on the basis of the figures for the previous year less 138,700 cwts. On the other hand, Argentina is assured of contributing 86·6 per cent of all the regulated imports of chilled beef, with a minimum of 6,590,000 cwts. (334,700 metric tons) for 1939. In addition, however, Argentine chilled beef is now dutiable at the rate of 1½ cent per pound on entry into the United Kingdom.

### CURRENT EXPORTS

For export and domestic consumption, during the first half of 1937 there were 1,899,813 head of cattle slaughtered in Argentina by the large packers as compared with 1,793,262 head for the corresponding period of 1936. Exports of beef from Argentina to June 30, 1937 (1936 figures within parentheses), were as follows: chilled beef, 2,258,246 quarters (2,466,262 quarters); frozen beef, 457,522 quarters (298,197 quarters); and canned beef, 32,466 tons (30,563 tons). The frozen beef is shipped mainly to continental Europe, the increase being attributed to heavier purchases by Germany and Italy.

The following table shows the quantity and value of Argentine beef exports to June 30 for 1936 and 1937 respectively:—

	1937	1936	1937	1936
	Quantity in Tons		Value in Pesos—15=£1	
Chilled beef . . . . .	168,157	175,057	81,313,107	79,959,016
Frozen beef . . . . .	35,649	22,773	9,712,486	5,465,923
Salted beef . . . . .	2,525	2,070	748,152	577,232
Canned meat . . . . .	37,918	37,559	14,114,045	11,511,561
Tongues . . . . .	1,945	2,009	2,936,663	3,077,702
Meat extract . . . . .	882	1,231	1,631,405	2,500,514
Cattle hides . . . . .	72,383	69,134	68,703,245	44,605,412

### FACTORS AFFECTING PRICES

The prospect of a reduced export outlet for chilled beef, and later the imposition of a duty by the United Kingdom, had a depressing effect on cattle prices during the latter part of 1936. Consequently the Argentine Government decided to pay a subsidy on beef exports, which was estimated to cover one-third of the amount of the United Kingdom import duty. It was felt that the other two-thirds would be absorbed by the British consumer and the Argentine packers. However, the improved business situation both in Argentina and the United Kingdom has so increased cattle prices that the subsidy has already been twice reduced, and it is announced that it will soon be entirely eliminated.

Export cattle are slaughtered exclusively by the large foreign meat packers in Argentina. It is the practice of the packers to purchase chiller-type steers in particular direct from the producer on his "estancia," to be paid for on the basis of weight delivered at the plant. The packers purchased, for example, 2,577,549 head of cattle—nearly 50 per cent being chillers—in 1936, of which 1,732,734 head were bought direct and 844,815 in the public markets. The latter were mostly freezers for export, for canning, and for the local trade.

### ARGENTINE CATTLE PRICES

In 1934 the meat packers in Argentina purchased 1,148,344 chiller-type steers for the export trade at an average price equivalent to 3·76 cents Canadian per pound live weight at the plant. The average price paid for freezers for export was 2·5 cents, and for canners 2·2 cents per pound. The total number of cattle in Argentina was estimated at 30,867,852 in 1934. The corresponding figure is



not available for 1936, but a total of 6,730,581 head were slaughtered in the latter year, of which 2,242,119 were for export and 4,488,462 for domestic consumption.

Cattle prices improved gradually from 3.76 cents for prime chillers in 1934 to 4 cents live weight at the beginning of 1937. At the latter price one stockman, who breeds and finishes 45,000 prime chillers annually on his own land, estimated his net profit at 35 per cent. The upward trend in prices continued this year. During the month of July last the packers purchased 92,818 steers direct, representing a normal month's requirements for chillers, of which 75,953 brought the top contract price of 4.54 cents paid for prime export chillers; 11,266 chillers brought 4.40 cents, and 1,294 were bought as "baby beef" at 5.3 cents per pound. Only 4,305, or 4.6 per cent, brought lower prices, generally for freezers or due to overweight. This indicates the uniformity in quality and weight of the offerings of chiller steers in Argentina.

#### TYPE REQUIREMENTS

The standard for a chiller-type steer may be taken as an animal from pure-bred stock which will weigh from 1,035 to 1,145 pounds, dressed 60 per cent at two years. The "baby beef" steers must weigh 790 to 880 pounds at twelve to sixteen months, with milk teeth, but the minimum and maximum weights for the July purchases were 860 and 1,035 pounds respectively at the "baby beef" prices. Since July, contract prices have gone up to 4.70 cents per pound for prime chillers and 5.5 cents for "baby beef." Current prices for export cattle are considered high in relation to the cost of production—the average price for local consumption was 3.29 cents in July.

Argentine export steers are bred and finished outdoors the year round on the best grazing land, suitable for alfalfa and such forage crops as rye. A supplementary dry ration is never required except occasionally during a period of drought and for "baby beef" production. It is the climate, soil, high and uniform quality of the breeding stock, and low internal transportation costs, due to the proximity of the grazing areas to the ports, that account for the low production costs. The average land where chiller-type steers are bred and grazed will carry and finish one head per 1.4 to 2.5 acres, depending on weather conditions.

#### LAND TAXES

It is difficult to appraise the market value of this alfalfa grazing land where the export cattle are finished, but current valuations are from \$38 to \$45 per acre. The government taxes are based on an assessed valuation which now corresponds approximately to the real value, and the rate is six mills plus one for local roads—26 to 31 cents per acre. The extensive highway construction program of the National Government is being financed directly from a tax on gasoline, so that land taxes are not likely to increase. The greater part of the agricultural land mortgages are held by the National Mortgage Bank and carry interest at 5 per cent plus 1 per cent amortization. However, the rate for new mortgage loans has recently been reduced to 4 per cent and 1 per cent amortization on a 50,000,000-peso issue. It is a question whether sufficient funds will be available for investment to meet the demand at the latter rate. The current high grain prices are forcing up rental values for land in pasture, as practically all this land will produce cereals.

#### FUTURE OUTLOOK

Despite the high prices now being paid for cattle, the Argentine breeder is not too optimistic in regard to the long-term trend in the industry. The United Kingdom meat quotas set quite definite limits for exports of beef for the next two years. Prices may or may not continue at present levels, depending on the

continuance of favourable business conditions in general in this country and abroad, and the negotiation of another agreement with the United Kingdom will have to be considered before 1940.

The current feeling of the Argentine breeder was reflected in the price paid for the Grand Champion home-bred bull at the Rural Show in Buenos Aires last month and the general trend of the bull sales there. The price for the champion was 35,000 pesos (\$11,665 Canadian), which was much lower than was anticipated, in view of the high beef cattle prices, and much below the 151,000 pesos (\$51,000 Canadian) paid in 1925. On the other hand, an Argentine breeder paid 95,000 pesos (\$31,665 Canadian) last month for an imported bull, the highest price ever paid at a local consignment sale.

This apparent paradox is explained by the fact that the Argentine breeder of foundation stock believes that the quota on exports will result in further increased competition in Argentina for the limited market, based on the highest possible quality. There are only comparatively few breeders who can afford to pay these high prices for imported bulls, and they are able to do so because they already have the highest quality breeding stock and the publicity makes the market for their pure-bred stock in Argentina.

## CONDITIONS IN VENEZUELA

W. J. RIDDIFORD, CANADIAN TRADE COMMISSIONER

Panama City, R.P., September 30, 1937.—Although statistical returns for the calendar year 1936 have not yet been published, the information available indicates that economic conditions in Venezuela and the foreign trade of the country are satisfactory. The careful attention devoted by the Government to the foreign exchange problem coupled with the payment of substantial subsidies to promote the production and exportation of certain agricultural products has resulted in slightly higher values for the bolivar on the foreign exchanges and has created a feeling of confidence that a sufficient volume of foreign exchange is available for the payment of obligations of importers. There remains the question as to how long it will be necessary and possible for the Government to subsidize the production and exportation of agricultural products.

### EXCHANGE

There appears to be sufficient foreign exchange available for legitimate commercial requirements. The policy of subsidizing exports of certain agricultural products has increased the amount of foreign exchange available. Recently foreign exchange derived from subsidized exports proved sufficient to supply legitimate commercial requirements, making dependence, at that time, upon the foreign exchange usually made available by the oil companies, unnecessary. At the present time the bolivar is valued at approximately bs.3·20 equal U.S.\$1, but it is reported that unofficial or "street" rates are in the neighbourhood of bs.3·40 equal U.S.\$1. It does not seem likely that any serious exchange difficulties will develop in Venezuela, although there is the possibility that over-spending on the part of the Government eventually may impair national credit and make some form of exchange control necessary.

### GOVERNMENT FINANCES

The Government financial year 1936 closed with a deficit of bs.36,586,000, which was met from reserves. The budget for 1937 provides for anticipated revenues and expenditures of bs.255,000,000, but it is understood that supplementary expenditures already total almost bs.1,000,000. It seems likely there-



fore that at the end of 1937 there will be another budget deficit, necessitating a further use of reserves. Continued heavy expenditures on public works and agricultural subsidies and the use of reserve funds in meeting annual deficits would cause some uneasiness were it not for the fact that Venezuelan natural resources are so rich, varied, and in many fields underdeveloped.

### FOREIGN TRADE

The latest Venezuelan trade statistics available are those for the first six months of 1936. The following table gives the volume and value of the foreign trade of Venezuela for the first six months of 1936 and the calendar years 1935 and 1932:—

Exports:	Jan.-June, 1936	1935	1932
Long tons . . . . .	11,449,835	22,594,792	17,003,661
U.S. dollars . . . . .	96,609,825	181,561,097	92,527,124
Imports:			
Long tons . . . . .	143,471	268,541	223,784
U.S. dollars . . . . .	21,988,737	57,447,375	21,866,127
Favourable balance of trade U.S.\$..	74,621,088	124,113,722	70,660,997

While the visible balance of trade is very much in favour of Venezuela, it should be kept in mind that exports of petroleum account for almost 90 per cent of the total value of Venezuelan export trade, and since this product is produced and exported largely by foreign companies the visible favourable balance should be reduced by the amount of the proceeds of petroleum exports which is not returned to the country.

### EXPORTS

The following table gives the value of the principal exports from Venezuela during the first six months of 1936 and the calendar year 1935:—

	Jan.-June, 1936 Bolivars 3.91=U.S.\$1	1935 Bolivars 3.92=U.S.\$1
Total . . . . .	377,484,759	711,729,501
Petroleum . . . . .	335,552,464	637,381,335
Coffee . . . . .	18,718,450	30,852,466
Gold . . . . .	11,885,464	14,261,465
Cacao . . . . .	5,730,337	6,774,543
Hides . . . . .	1,254,284	1,426,776
Cattle . . . . .	716,458	350,000
Other . . . . .	3,627,302	20,682,916

The returns for the first six months of 1936 would seem to indicate that the year will close showing substantial increases as compared with 1935. Notable increases in the value of exports of gold, cacao, hides, and cattle are a foregone conclusion. In the case of cacao and hides, the substantial export bounties being paid by the Venezuelan Government undoubtedly account for the large increase.

The following table shows the countries to which the bulk of Venezuela exports were shipped during the first six months of 1936:—

	Long Tons	Bolivars		Long Tons	Bolivars
Curacao . . . . .	4,297,739	136,484,759	Spain . . . . .	2,131	1,091,047
Aruba . . . . .	4,664,608	132,004,135	Denmark . . . . .	1,301	695,406
United States . . . . .	1,872,181	62,033,668	Belgium . . . . .	16,843	556,654
United Kingdom . . . . .	159,404	15,969,243	Netherlands . . . . .	1,217	546,313
France . . . . .	109,339	8,827,606	Italy . . . . .	929	545,587
Germany . . . . .	24,643	7,717,962	Sweden . . . . .	261	145,957
Trinidad . . . . .	31,707	4,161,187	Japan . . . . .	193	103,287
Canada . . . . .	105,875	2,617,732			

Exports to Aruba and Curacao, Dutch West Indies, consist almost entirely of crude petroleum shipped to the large American and British refineries located there. Exports from Venezuela to Trinidad are largely for transshipment to other destinations. Exports from Venezuela to Canada consist entirely of petroleum and coffee.

## IMPORTS

The following table gives the volume in long tons and the value in bolivars and countries of origin of imports into Venezuela during the first six months of 1936 and 1935:—

	Jan.-June, 1936		Jan.-June, 1935	
	Long Tons	Bolivars	Long Tons	Bolivars
Total .. . . .	143,471	85,979,522	141,455	124,246,020
United States.. . . .	61,028	42,489,522	69,014	49,287,082
United Kingdom.. . . .	10,445	8,482,884	12,523	41,591,220
Germany .. . . .	24,932	10,950,424	25,801	8,420,251
France .. . . .	960	5,992,978	2,408	7,101,131
Belgium .. . . .	23,864	6,072,578	11,371	4,433,001
Netherlands .. . . .	9,971	3,490,513	6,718	4,672,300
Japan .. . . .	1,185	2,375,280	1,278	2,096,809
Spain .. . . .	1,494	1,727,384	1,106	1,448,229
Italy .. . . .	364	1,073,484	499	1,463,056
Curacao.. . . .	1,135	533,653	687	1,234,878
Aruba .. . . .	135	303,454	485	52,012
Trinidad .. . . .	1,239	243,801	946	284,896
Denmark .. . . .	1,254	190,794	1,281	188,867
Sweden.. . . .	460	45,092	352	341,176
Canada.. . . .	172	45,763	537	77,068
Others .. . . .	4,833	1,961,918	6,479	1,554,044

[A table summarizing the commodities imported into Venezuela for the first six months of 1936 and for the calendar year 1935 is on file at the Department of Trade and Commerce, Ottawa, and may be obtained by interested Canadian firms on application.]

## CANADIAN SHARE OF THE IMPORT TRADE

Because the bulk of Canadian exports to Venezuela are shipped from American ports, a large percentage of the products imported from Canada are classified for statistical purposes as being of United States origin. The foregoing tables, which are based upon official Venezuelan statistics, do not present an accurate picture of the Canadian share of Venezuela's import trade. Canadian statistics show that imports into Venezuela from Canada for the fiscal years 1937 and 1936 totalled Canadian \$1,016,621 and Canadian \$571,687 respectively. The following table, taken from Canadian statistics, shows exports from Canada to Venezuela by main groups for the fiscal years ended March 31, 1937, 1936, and 1935:—

	1937	1936	1935
Agricultural and vegetable produce.. . . .	\$ 546,892	\$351,641	\$326,856
Animals and animal products .. . . .	114,549	21,198	3,471
Fibres and textiles .. . . .	13,533	4,798	12,583
Wood and wood manufactures .. . . .	90,704	60,944	33,399
Iron and iron manufactures .. . . .	9,220	16,753	4,414
Non-ferrous articles .. . . .	51,798	40,051	30,602
Non-metallic articles .. . . .	552	1,310	84
Chemicals .. . . .	114,821	70,490	68,113
Miscellaneous.. . . .	74,552	4,502	4,988
	<u>\$1,016,621</u>	<u>\$571,687</u>	<u>\$484,510</u>

## MARKET DIFFICULTIES

Canadian products have been handicapped in the past by the reluctance of Canadian exporters to grant the terms requested by Venezuelan importers. Providing Canadian firms confine their business to only thoroughly reliable Venezuelan importers, it would seem reasonable that terms should be offered similar to those granted by United States exporters.

There is also the difficulty of shipping facilities. There are no direct sailings from Canadian ports to Venezuelan ports. It is possible to ship from



Canada to Trinidad with transshipment at that port for Ciudad Bolivar, La Guaira, Puerto Cabello, and Maracaibo via Curacao, Dutch West Indies. Direct sailings from New York to Venezuelan ports are available, and it is possible that this routing may be the cheaper for Eastern Canadian exporters. Shipments from Western Canada may be transhipped at United States or Canal Zone ports.

### **BRITISH TRADE COMMISSIONERS IN CANADA**

Canadian importers and others desirous of obtaining information regarding the export trade of the United Kingdom and Canadian firms desirous of representing British manufacturers in Canada are invited to communicate with the undermentioned:—

The Senior British Trade Commissioner in Canada and Newfoundland, 1111 Beaver Hall Hill, Montreal, Que. Telegraphic address: "Britcom."

The British Trade Commissioner in the Maritime Provinces and Newfoundland, 1111 Beaver Hall Hill, Montreal, Que. Telegraphic address: "Britcom."

The British Trade Commissioner (for Ontario), 901-905 Bank of Hamilton Building, Toronto, Ont. Telegraphic address: "Toroncom."

The British Trade Commissioner (for Alberta and British Columbia), 850 West Hastings Street, Vancouver, B.C. Telegraphic address: "Vancom."

The British Trade Commissioner (for Manitoba, Saskatchewan and Northwest Ontario), 703 Royal Bank Building, Winnipeg, Man. Telegraphic address: "Wincom."

### **BRITISH MERCHANDISE MARKS ACT**

#### **SPORTING CARTRIDGE CASES**

The Chief Canadian Trade Commissioner in London writes that the Board of Trade give notice that they have referred to the Merchandise Marks Standing Committee an application for an Order in Council to require the marking with an indication of origin of all sporting cartridge cases imported into the United Kingdom.

### **TARIFF CHANGES AND CUSTOMS REGULATIONS**

#### **Irish Free State**

##### **IMPORT QUOTA ON ARTIFICIAL MANURES**

Mr. James Cormack, Canadian Trade Commissioner in Dublin, writes under date September 28 that by order of the Executive Council the import quota for artificial manures (consisting of ground mineral phosphates, superphosphates, and compound manures but not including nitro-chalk) has been fixed at 12,000 tons for the period November 1, 1937, to October 31, 1938, as against 17,000 tons in the corresponding period last year.

##### **WHEAT REGULATIONS**

An order, dated September 29, of the Department of Agriculture of the Irish Free State, reduces from 40 to 25 the percentage of home-grown wheat to be milled by licensed millers during the remainder of the cereal year 1937-38—i.e. up to August 31 next.

Mr. James Cormack, Canadian Trade Commissioner in Dublin, reports that in former years the Department of Agriculture fixed a high percentage, reducing it from time to time by departmental orders to meet crop conditions. This year a new procedure is being adopted. An anticipated minimum of 25 per cent is fixed, and if need be orders will be issued increasing this percentage when the full extent of the wheat harvest is known. Another reason for the reduced percentage is that, owing to bad weather conditions for seeding, the area sown was some 30,000 acres less than last year, and therefore it is unlikely that the 40 per cent of home-grown wheat will be available for admixture from this season's harvest.

### Australia

#### TEMPORARY ADMISSION OF PAPERBOARDS

The Australian Minister of Trade and Customs has approved, to a limited extent, the admission by by-law under Tariff Item No. 404 of paperboards of types manufactured in Australia, viz: strawboard, lined and unlined; straw-paper; chipboard, lined, unlined and pasted; greyboard, lined, unlined and embossed; manilla board; filler board; milk wad board; imitation leather-board; container board; wood-pulp board; coco boards; waxing board; paste-board, white, if of board substance.

Tariff Item No. 404 covers "Materials and minor articles, of a class or kind not commercially produced or manufactured in Australia, for use in the manufacture of goods within the Commonwealth, as prescribed by departmental by-laws." Goods prescribed by by-law for admission under this item are free of duty under the British preferential tariff (applicable to Canada) and subject to 15 per cent ad valorem under the general tariff. They are exempt from primage duty under the British preferential tariff but subject to 4 per cent ad valorem primage under the general tariff.

Importation by each user of these boards is limited to the extent of (a) 10 per cent of the total quantity of the paperboards purchased from and delivered by Australian Paper Manufacturers Limited during the period January 1 to December 31, 1936, and (b) 10 per cent of the total quantity of the imported boards which were obtained for its own use and entered for consumption during the same period. Paperboards admitted under this concession must be entered for consumption on and after June 1, 1937, and not later than March 31, 1938. Paperboards of a type not manufactured in Australia are not included in this by-law concession.

#### CUSTOMS DECISIONS

Recent decisions of the Australian Department of Customs as to the classification of articles regarding which question had been raised include the following:—

Rubber thread, covered, having a rubber core less than  $\frac{1}{60}$  inch square, for use in the manufacture of apparel and hosiery, free of duty under British preferential tariff, 15 per cent ad valorem under general tariff (by-law under Item 404).

Ebonite separators, perforated or slotted, for use in the manufacture of batteries for house-lighting sets, free of duty under British preferential tariff, 15 per cent ad valorem under general tariff (by-law under Item 404).

"Duplicating paper" for the purposes of tariff Item 334J is to be regarded as covering only soft and semi-sized duplicating papers. (By tariff amendment proposals effective June 25, 1937, Item 334J covers "cartridge paper, offset and drawing; duplicating paper; absorbent paper for copying machines; blotting paper, irrespective of weight," the rates of duty per hundredweight of 112 pounds being 5s. under the British preferential tariff and 8s. under the general tariff, with provision for increase as the present exchange depreciation of Australian money may be corrected.)



Porcelain discs bearing the word "hot" or "cold" for use with taps, 45 per cent ad valorem under British preferential tariff, 65 per cent ad valorem under general tariff, with reduction from British preferential rate to compensate for present Australian exchange depreciation (Item 208A2).

Canadian goods under the above items, accompanied by the prescribed certificate of origin, are entitled to entry into Australia under British preferential rates.

## New Zealand

### DUTIES ON SHOE ORNAMENTS

A decision of the New Zealand Customs provides for admission under Tariff Item 448, free of duty under both British preferential and general tariffs (but subject to 3 per cent ad valorem primage duty), of the following:—

Bows, plain or fancy, of leather, imitation leather, textile, or combinations of these materials with each other or with glass, metal, or other substance (except precious metal), on declaration by a manufacturer that they will be used by him solely in the manufacture of boots, shoes, or slippers; also

Ornaments for boots, shoes, or slippers, including poms and slides but not including ornaments composed wholly or partly of precious metal and not including metal buckles or bows.

## Italy

### NEW IMPORT PROVISIONS

Mr. A. B. Muddiman, Canadian Trade Commissioner at Milan, writes that under instructions issued on August 19 to the Italian Customs, provisions affecting countries that have not concluded new agreements with Italy have been made allowing importation of goods subject to percentage import contingents without the Ministerial import licence. These provisions apply to Canada.

Import of these goods will now be allowed on proof of importation during the corresponding quarter of 1934. The percentage fixed for each commodity will apply to the value of the imports and not to the quantity. Owing to the devaluation of the Italian lira this will mean, so far as value in exporting countries is concerned, a further reduction.

Goods which concern Canada most in regard to the new method of importation are:—

Skates; articles of nickel and its alloys; certain metals and alloys; shovels, spades, pick-axes; ground emery and corundum; asbestos products; casks and staves; roller shutters of wood; wooden shoe-shanks; all of which are accorded a quota of 20 per cent; motor vehicles, excluding tractors; certain hides and skins; machine belting of finished leather; gloves of skin; pneumatic tires and tubes, transmission belts, gloves of rubber; gutta-percha; paper (not for newspapers); pasteboard; brushes; fountain pens; on which the quota in each case is 10 per cent; cinematograph films unexposed, on which the quota is 15 per cent; newspapers, on which the quota is 100 per cent.

## Panama

### CONSULAR FEES

Mr. W. J. Riddiford, Canadian Trade Commissioner in Panama, writes that a Panama decree published September 20, 1937, effective three months later, increases the consular fee on products entering Panama free of customs duty from 5 per cent to 8 per cent ad valorem. The fee on dutiable goods remains at 3 per cent ad valorem. Consular fees are payable by the importer at the port of destination.

## FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING OCT. 18, 1937

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, October 18, and for the week ending Tuesday, October 12, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Oct. 12	Nominal Quotations in Montreal Week ending Oct. 18	Official Bank Rate
Austria . . . . .	Schilling	.1407	\$ .1880	\$ .1883	3½
Belgium . . . . .	Belga	.1001	.1684	.1684	2
Bulgaria . . . . .	Lev	.0072	.0129	.0129	6
Czechoslovakia . . . . .	Krone	.0296	.0350	.0350	3
Denmark . . . . .	Krone	.2680	.2211	.2212	4
Finland . . . . .	Markka	.0252	.0219	.0219	4
France . . . . .	Franc	.0392	.0331	.0337	3½
Germany . . . . .	Reichsmark	.2382	.4014	.4013	4
Great Britain . . . . .	Pound	4.8666	4.9552	4.9550	2
Greece . . . . .	Drachma	.0130	.0091	.0091	6
Holland . . . . .	Guilder	.4020	.5525	.5526	2
Hungary . . . . .	Pengo	.1749	.2954	.2953	4
	Unofficial		.1973	.1973	—
Italy . . . . .	Lira	.0526	.0525	.0526	4½
Jugo-Slavia . . . . .	Dinar	.0176	.0230	.0231	5
Norway . . . . .	Krone	.2680	.2488	.2489	4
Poland . . . . .	Zloty	.1122	.1888	.1887	5
Portugal . . . . .	Escudo	.0442	.0448	.0449	4½
Roumania . . . . .	Leu	.0060	.0074	.0073	4½
Spain . . . . .	Peseta	.1930	.0633	.0628	5
Sweden . . . . .	Krona	.2680	.2553	.2554	2½
Switzerland . . . . .	Franc	.1930	.2299	.2300	1½
United States . . . . .	Dollar	1.0000	.9995	.9993	1
Mexico . . . . .	Peso	.4985	.2774	.2773	4-5
Cuba . . . . .	Peso	1.0000	.9987	.9985	—
Guadeloupe . . . . .	Franc	.0392	.0331	.0337	—
Jamaica . . . . .	Pound	4.8666	4.9652	4.9650	—
Martinique . . . . .	Franc	.0392	.0331	.0337	—
Other British West Indies	Dollar	1.0138	1.0323	1.0323	—
Argentina . . . . .	Peso (Paper)	.4245	.3301	.3303	3½
	Unofficial		.2989	.2988	—
*Brazil . . . . .	Milreis	.1196	.0600	.0566	—
British Guiana . . . . .	Dollar	1.0138	1.0323	1.0323	—
Chile . . . . .	Peso	.1217	.0517	.0517	4½
Colombia . . . . .	Peso	.9733	.5696	.5696	4
Peru . . . . .	Sol	.2800	.2599	.2598	6
Venezuela . . . . .	Bolivar	.1930	.3136	.3135	—
Uruguay . . . . .	Peso	1.0342	.7906	.7910	—
South Africa . . . . .	Pound	4.8666	4.9490	4.94½	3½
Egypt . . . . .	Pound (100 Piastres)	4.9431	5.0676	5.0700	—
China (Shanghai) . . . . .	Dollar	.....	.2949	.2941	—
Hongkong . . . . .	Dollar	.....	.3094	.3098	—
India . . . . .	Rupee	.3650	.3739	.3741	3
Japan . . . . .	Yen	.4985	.2884	.2884	2.92
Java . . . . .	Guilder	.4020	.5525	.5526	—
Siam . . . . .	Baht (Tical)	.4424	.4539	.4542	—
Straits Settlements . . . . .	Dollar	.5678	.5806	.5809	—
Australia . . . . .	Pound	4.8666	3.9641	3.9637	3
New Zealand . . . . .	Pound	4.8666	3.9961	3.9950	2

\* Unofficial:

The Dominion Bureau of Statistics has supplied the following note:—

Interest continued to centre around the French franc. As short covering became more active, the franc rallied. Closing quotations at New York reached 3-37½ cents by October 13, up 5½ points from Monday. The reaction which then set in carried quotations down 1½ points by the 17th. This was more than regained in the following day, when the franc closed at 3-38 cents. The belga, the Swiss franc, and the guilder advanced also. No engagement of gold shipment to the United States was reported. London gold price fell from 140s. 6½d. to 140s. 4d. during the week, but sterling advanced. Sterling at Montreal remained close to \$4.96. The discount on New York dollars ranged between 0.03 of 1 per cent and 0.06 of 1 per cent throughout the week.



## TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—  
Secretary, Board of Trade—

Saint John, N.B.  
Halifax, N.S.  
Quebec, P.Q.  
Montreal, P.Q.  
Toronto, Ont.

Chatham, Ont.  
Kitchener, Ont.  
Stratford, Ont.  
Woodstock, Ont.  
St. Mary's, Ont.

Portage la Prairie, Man.  
St. Boniface, Man.  
Winnipeg, Man.  
Vancouver, B.C.  
New Westminster, B.C.

Secretary, Chamber of Commerce—

Sherbrooke, P.Q.  
Kingston, Ont.  
Oshawa, Ont.

Belleville, Ont.  
Peterborough, Ont.  
London, Ont.

Hamilton, Ont.  
Victoria, B.C.  
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

Secretary, Canadian Manufacturers Association—

Toronto, Ont.  
Montreal, P.Q.

Winnipeg, Man.  
Edmonton, Alta.

Vancouver, B.C.  
Victoria, B.C.

The Maritime Provinces Trade Commissioner, 122 Federal Building, Toronto, Ont.

The Bureau of Provincial Information, Victoria, B.C.

**Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.**

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Miscellaneous—</b>			
Feedstuffs (Wheat Middlings, Wheatings and Sharps).....	708	Bristol, England.....	Purchase and Agency.
Curtain Marquisettes.....	709	Melbourne, Australia.....	Agency.
Cotton Corset Brocade.....	710	Melbourne, Australia.....	Agency.
Surgical, Medical and Dental Supplies.....	711	Melbourne, Australia.....	Agency.
Hot-water Bags.....	712	Melbourne, Australia.....	Agency.
Newsprint in Sheets.....	713	Lima, Peru.....	Agency.
Wire Nails.....	714	Bristol, England.....	Purchase and Agency.
Bolts and Nuts.....	715	Bristol, England.....	Purchase.
Hardware Specialties.....	716	Melbourne, Australia.....	Agency.
Electric Fixtures.....	717	Melbourne, Australia.....	Agency.
Vacuum Cleaners (Electric).....	718	Melbourne, Australia.....	Agency.
Western Hemlock Flitches.....	719	Melbourne, Australia.....	Agency.
Western Hemlock Shooks.....	720	Melbourne, Australia.....	Agency.
Building Board (3-Ply).....	721	Lima, Peru.....	Agency.
Small Diesel Engines (from 2-3 h.p. up to 10-12 h.p.).....	722	Melbourne, Australia.....	Agency.
Petrol Engines.....	723	Melbourne, Australia.....	Purchase.
Double-acting Plunger Pumps...	724	Singapore, Straits Settlements.	Purchase.
Automotive Tools and Equipment.	725	Melbourne, Australia.....	Agency.

### CERTIFICATES OF ORIGIN FOR BRITISH PREFERENCES

Canadian exporters are reminded of the importance of supplying correct certificates of origin for goods entitled to preferential tariff treatment in Empire countries. The regulations to be observed vary enough to preclude use of uniform documentation for the different British markets. As regards the principal market, the United Kingdom, goods regarded as growth or produce require 100 per cent Empire content; optical goods and parts require 75 per cent; a selected list of manufactured goods (see F.T.D. Leaflet No. 95) require 50 per cent; for other manufactured goods 25 per cent Empire content suffices. A small number of ingredients must qualify independently for preference. Each "article" is subject to the preference test separately, so that when machinery, etc., is shipped to the United Kingdom knocked-down each separate assembly or part must qualify in itself to be entitled to preference. Notice 27A of the London Custom House, issued in December, 1936, prescribes appropriate forms as follows: D, 119 (Sale), for growth or produce; E, 120 (Sale), for manufactured goods; F, 121 (Sale), for manufactured tobaccos and sugars; FF, 122 (Sale), a supporting certificate for ingredients.

### PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

#### From Montreal

*To Liverpool.*—Duchess of York, Oct. 29; Duchess of Richmond, Nov. 5; Duchess of Bedford, Nov. 12; Duchess of Atholl, Nov. 19—all Canadian Pacific; Antonia, Cunard-White Star Line, Nov. 19.

*To London.*—Beaverdale, Oct. 29; Beaverbrae, Nov. 5; Beaverburn, Nov. 12; Beaverhill, Nov. 19; Beaverford, Nov. 26—all Canadian Pacific; Araunia, Oct. 29; Alaunia, Nov. 5; Ausonia, Nov. 12; Ascania, Nov. 19—all Cunard-White Star Line; Tindefjell, Oct. 25; Makefjell, Nov. 5; Rutenfjell, Nov. 15—all Fjell Line.

*To Manchester.*—Manchester City, Oct. 28; Manchester Citizen, Nov. 4; Manchester Regiment, Nov. 11; Manchester Commerce, Nov. 18; Manchester Port, Nov. 25—all Manchester Line.

*To Southampton.*—Montrose, Oct. 30; Duchess of Richmond, Nov. 25—both Canadian Pacific.

*To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—Boston City, Oct. 25; New York City, Nov. 12; Bristol City, Nov. 27—all Bristol City and Dominion Lines; Dorelian, Nov. 4; Dakotian, Nov. 20—both Cunard-Donaldson and Dominion Lines.

*To Glasgow.*—Letitia, Oct. 29; Sulairia, Nov. 5; Athenia, Nov. 12; Delilian, Nov. 19—all Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Cairnmona, Nov. 3; Cairnross, Nov. 10; Cairnvalona, Nov. 17; Cairnesk, Nov. 24; Cairnglen, Nov. 29—all Cairn-Thomson Line.

*To Aberdeen and Hull.*—Kelso, Nov. 1; Kyno, Nov. 3; Consuelo, Nov. 24—all Ellerman's Wilson Line.

*To Dublin and Belfast.*—Kenbane Head (cargo accepted for Cork), Head Line, Nov. 6.

*To Antwerp and Havre.*—Beaverdale, Oct. 29; Beaverbrae, Nov. 5; Beaverburn, Nov. 12; Beaverford, Nov. 26—all Canadian Pacific (do not call at Havre); Tindefjell, Oct. 25; Makefjell, Nov. 5; Rutenfjell, Nov. 15—all Fjell Line (do not call at Havre); Flint II, Nov. 14; Grey County, Nov. 27—both County Line.

*To Rotterdam.*—Hada County, Nov. 7; August, Nov. 26—both County Line; Tindefjell, Oct. 25; Makefjell, Nov. 5; Rutenfjell, Nov. 15—all Fjell Line.



*To Hamburg and Bremen.*—Beaverhill (does not call at Bremen), Canadian Pacific, Nov. 19; Bochum, Hamburg-American Line, Nov. 12.

*To Copenhagen, Gothenburg, Stockholm and Helsingfors.*—Vasaholm, Swedish-America-Mexico Line, Nov. 3.

*To Marseilles, Genoa, Naples, Messina, Palermo, Lisbon and Leghorn.*—Capo Olmo, Oct. 30; Capo Noli, Nov. 20—both Capo Line.

*To St. John's, Nfld.*—Belle Isle (also calls at St. Pierre-Miquelon), Newfoundland-Canada SS. Co., Nov. 5 and 19; Eikhaug (calls at Bay Roberts, Carbonear, Harbor-Grace and Port Union), Nov. 1; Imogene, Nov. 4 and 24—both Shaw SS. Co. Ltd.

*To Corner Brook, Nfld.*—New Northland, Clarke SS. Co., Oct. 27 and Nov. 10.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Cornwallis, Oct. 28; Colborne, Nov. 11; Chomedy, Nov. 25—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Hamilton (Bermuda), Nassau (Bahamas), Kingston (Jamaica) and Belize (British Honduras).*—Lady Rodney, Oct. 27; Cavalier (does not call at Hamilton or Nassau), Nov. 5; Lady Somers, Nov. 10; Cathcart (does not call at Hamilton or Nassau), Nov. 19—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad, Demerara and Paramaribo.*—A steamer, Ocean Dominion SS. Corp., Nov. 8 and 24 (calls at Guadeloupe and Martinique if sufficient cargo offered).

*To Brisbane, Sydney and Melbourne.*—Port Montreal (calls at Adelaide if sufficient inducement offers), Oct. 27; Surrey, Nov. 23—both Montreal-Australia-New Zealand Line.

*To Sierra Leone, Walvis Bay, Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques and Beira.*—Ebani (does not call at Walvis Bay), Elder-Dempster Lines Ltd., Oct. 30.

*To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Singapore, Madras, Rangoon and Calcutta.*—City of Cardiff, Oct. 28; City of Worcester, Nov. 18—both Canada-India Service.

*To Manila, Hongkong and Dairen.*—City of Eastbourne, Ellerman & Bucknell SS. Co., Oct. 30.

*To Buenos Aires.*—Dagfred, Guardiaz Line, Oct. 29.

### From Quebec

*To Southampton.*—Empress of Britain, Canadian Pacific, Nov. 6.

### From Saint John

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Drake, Oct. 27; Lady Nelson, Nov. 10; Lady Hawkins, Nov. 24—all Canadian National.

*To Kingston and Jamaican Outports.*—A steamer (cargo accepted for transshipment to Central and South American Ports), United Fruit Co., Nov. 6.

### From Halifax

*To Liverpool.*—Manchester Exporter, Nov. 1; Manchester Division, Nov. 20—both Manchester Line; Nova Scotia, Oct. 26; Newfoundland, Nov. 13—both Furness Line.

*To London.*—Boschdyk, Nov. 1; Beemsterdyk, Nov. 19; Spaarndam, Nov. 30—all Holland-America Line; Artigas, Oct. 27; Capulin, Nov. 10; City of Flint, Nov. 24—all American Hampton Roads.

*To Manchester.*—Manchester Brigade, Oct. 24; Manchester City, Oct. 31; Manchester Citizen, Nov. 7; Manchester Regiment, Nov. 14; Manchester Commerce, Nov. 21; Manchester Port, Nov. 28—all Manchester Line.

*To Newcastle and Leith.*—Cairnmona, Nov. 6; Cairnross, Nov. 13; Cairnvalona, Nov. 20—all Cairn-Thomson Line; Artigas, Oct. 27; Capulin, Nov. 10; City of Flint, Nov. 24—all American Hampton Roads (call at Dundee and Hull but not at Newcastle).

*To Aberdeen, Newcastle and Hull.*—Cavallo, Ellerman's Wilson Line, Nov. 2.

*To Cardiff, Bristol and Swansea.*—Boston City, Oct. 28; New York City, Nov. 15; Bristol City, Dec. 1—all Bristol City and Dominion Lines.

*To Rotterdam.*—Boschdyk, Nov. 1; Beemsterdyk, Nov. 19; Spaarndam, Nov. 30—all Holland-America Line.

*To Hamburg and Bremen.*—Artigas, Oct. 27; Capulin, Nov. 10; City of Flint, Nov. 24—all American Hampton Roads.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Fort Townshend, Oct. 25; Fort Amherst, Nov. 1 and 15—both Furness-Red Cross Line; Kongshaug, Newfoundland-Canada SS. Ltd., Nov. 1 and 15; Nova Scotia, Oct. 26; Newfoundland, Nov. 13—both Furness Line (do not call at St. Pierre); Portia (does not call at St. Pierre), Newfoundland Ry. and SS. Co., Nov. 3 and 17.

*To Kingston (Jamaica) and Belize (British Honduras).*—Cathcart, Oct. 25; Cavalier Nov. 8—both Canadian National.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Drake, Nov. 4; Lady Nelson, Nov. 18; Lady Hawkins, Dec. 2—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer, Ocean Dominion SS. Corp., Oct. 28 and Nov. 13.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Cornwallis, Nov. 1; Colborne, Nov. 15; Chomedy, Nov. 29—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Bermuda, West Indies, and Demerara.*—Primo, Oct. 28; a steamer, Nov. 12; Heroy, Nov. 25—all Pickford & Black Ltd.

*To Santiago (Cuba) and Kingston (Jamaica).*—Kirsten B, Nov. 3; Ciss, Nov. 17—both Pickford & Black Ltd.

*To Yokohama, Kobe, Shanghai, Hongkong, Manila, Cebu and Java.*—Malayan Prince, Oct. 25; Cingalese Prince, Nov. 22—both Furness-Prince Line; Silverteak, Silver Line, Nov. 7.

### From Vancouver

*To Yokohama, Kobe and Osaka.*—Heian Maru, Oct. 30; Hikawa Maru, Nov. 18; Hiye Maru, Dec. 2—all Nippon Yusen Kaisha.

*To Yokohama, Kobe, Shanghai, Hongkong and Manila.*—Empress of Japan (calls Honolulu), Oct. 30; Empress of Asia (calls Nagasaki), Nov. 13; Empress of Canada (calls Honolulu), Nov. 27; Empress of Russia (calls Nagasaki), Dec. 11—all Canadian Pacific; Ixion, Nov. 2; Talthybius, Dec. 4—both Blue Funnel Line (call at Miike but not at Manila).

*To Manila, Iloilo, Cebu, Macassar, Soerabaya, Samarang, Batavia, Singapore, Port Swettenham, Belawan Deli, Colombo, Bombay and Persian Gulf Ports.*—Hoegh Silverlight, Nov. 1; Hoegh Transporter, Dec. 2—both Silver-Java Pacific Line.

*To Honolulu, Suva, Auckland and Sydney.*—Aorangi, Oct. 27; Niagara, Nov. 24—both Canadian-Australasian Line.

*To Papeete, Wellington, Lyttelton, Dunedin, Melbourne and Sydney.*—Wairuna (calls at Auckland and Napier), Canadian-Australasian Line, Nov. 25.

*To Brisbane, Sydney, Melbourne and Adelaide.*—Koyei Maru, Empire Shipping Co., Nov. 25.

*To London, Liverpool and Rotterdam.*—Dinteldyk, Oct. 30; Damsterdyk (calls at Glasgow), Nov. 13; Nebraska, Nov. 27—all North Pacific Coast Line.

*To Antwerp, Hamburg and Bremen.*—Tacoma, Nov. 7; Portland, Nov. 14; Vancouver, Dec. 5—all Hamburg-American Line; Este, Oct. 27; Schwaben, Nov. 24—both North German Lloyd Line.

*To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.*—Washington, Empire Shipping Co., Nov. 10.

*To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.*—Fella, Nov. 2; Indien, Nov. 24—both Empire Shipping Co.

*To Port of Spain (Trinidad) and Bridgetown (Barbados).*—King Lud, Canadian Transport Co., Oct. 25.

*To Kingston (Jamaica), Trinidad and Demerara.*—A steamer, Canadian Transport Co., December.

*To Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques, Beira, Colombo, Calcutta and Madras.*—Siantar, Nov. 5; Silverpalm, Dec. 4—both Silver-Java Pacific Line.

*To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.*—Hoyanger, Empire Shipping Co., Nov. 25.

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**Note.**—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.



# COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

## CANADIAN GOVERNMENT TRADE COMMISSIONERS

### Argentina

J. A. STRONG, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

### Australia

*Sydney*: L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh Streets. (Territory covers Federal District of Canberra, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

*Commercial Agent*: B. MILLIN, The Royal Exchange, Sydney, N.S.W.

*Melbourne*: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building, Melbourne. (Territory covers States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

### Belgium

YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

### Brazil

L. S. GLASS. Address for letters—Caixa Postal 2164, Rio de Janeiro. Office—Ed. Da. "A Noite," Sala 802, Praca Maua. *Cable address, Canadian.*

### British Malaya

B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory covers the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

### British West Indies

*Trinidad*: M. B. PALMER. Address for letters—P.O. Box 125, Port of Spain. Office—Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, and British Guiana.) *Cable address, Canadian.*

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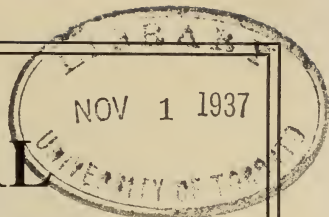
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# COMMERCIAL INTELLIGENCE JOURNAL



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No. 1761



**Discharging Canadian Cars into Lighters at Singapore**

ISSUED BY AUTHORITY OF  
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE  
JAMES G. PARMELEE, DEPUTY MINISTER

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Vol. LVII

Ottawa, October 30, 1937

No. 1761

## CONDITIONS IN THE UNITED KINGDOM

FREDERIC HUDD, CHIEF CANADIAN TRADE COMMISSIONER IN THE  
UNITED KINGDOM

### PART I

#### Internal Trade Situation

London, October 11, 1937.—In September there was a marked seasonal revival in most industries following a seasonal recession in business activity in August which was less marked this year than usual. Of the fourteen component series of *The Economist* Index, ten registered a rise in August and only four showed a decline, one of the most marked of the latter being the decline in the value of building plans, which was reflected in a figure of 95½ in August, 1937, as compared with 109½ in August, 1936. Due largely to the fall of raw cotton prices, there was also a decline in the index of cotton consumption, but the influence of these unfavourable factors should not be given undue weight in appraising the present situation, as employment, imports, bank clearings, and coal output all show an increase and the consumption of iron and steel rose to a new record in August. Industrial profits also increased, and the shipping and shipbuilding industries experienced a marked revival, due to higher freight rates and the increased volume in world trade.

#### EXTERNAL TRADE

The expansion of overseas trade will be dealt with more comprehensively in a later section of this report. It is therefore sufficient to record here the contribution made by external trade to the maintenance of the volume of business activity. In August both imports and exports showed considerable increases compared with 1936, the former by 31.1 per cent and the latter by 20.6 per cent. The increases are due largely to the higher prices, more particularly in imports. For the eight months ended August imports, in comparison with the previous period, were £654,374,867, an increase of £117,809,802, and exports were £341,438,902, an increase of £58,268,668. The increase in imports was 21.9 per cent, which is roughly equivalent to the expansion in total exports (21.7 per cent). There was an increase of £47,000,000 in the visible adverse balance of trade for the eight months, against which must be set the substantial increase in visible exports (not computable until the end of the year), in the shape of shipping earnings, receipts from overseas investments, and banking and other commissions resulting from the extension in external trade.

#### IRON AND STEEL INDUSTRY

There is capacity production in the iron and steel industry, which has been assisted by an increase in the supply of raw materials. Imports of steel have risen, with the result that steel consumption as a whole has reached a

record level. Notwithstanding the increased importations, however, supplies are not equal to the demands for consumption. The autumn demand is earlier than usual, due largely to the anxiety of many industries to avoid delay in securing supplies. *The Economist* provisional index number for the consumption of iron and steel in August was 180 as compared with 139 in August of last year.

#### AUTOMOBILE INDUSTRY

Registration figures indicate a continued rise in the sale of automobiles, as new registrations of private cars and taxis in July were 28,783, an increase of 3,058 as compared with July, 1936. Commercial vehicle registrations increased also. British exports of cars aggregated 6,200 in August as compared with 3,607 in August, 1936. Domestic purchasing power is also reflected in the growth of imports.

#### COTTON TEXTILE INDUSTRY

The holiday season and the uncertainty of cotton supplies and prices, as well as the disturbed situation in the Far East, have contributed to the slackening of activity in the textile industry, but prices were maintained. New business has also been somewhat affected by the continued fall of raw cotton rates as the price of United States cotton is lower than for some years past, and hesitancy has been increased by the raising of the official crop estimate to 16,098,000 bales. Spinning production continues at about 92 per cent of capacity as compared with 79 per cent in August of last year.

#### BUILDING TRADE INDUSTRY

Although the building trades remained active and employment in this industry was maintained, the outlook for the continued maintenance of peak activity in the building trades is uncertain. The Ministry of Labour reports that the value of plans approved by 146 local authorities in August was 20 per cent below the level of a year ago. The figures have been declining steadily in recent months, which would seem to indicate that the present level of activity is not likely to be maintained indefinitely. The demand for building supplies has also been dampened to some extent by the diversion of materials to other industries, which has resulted in difficulties in obtaining supplies in the building industry.

#### COMMODITY PRICES

The *Times* index number of wholesale prices of commodities at the end of September was 0·8 per cent lower than a month ago and 17 per cent above a year ago, the figure for September 29 being 130·4 (1913 equals 100), for August 29 last 131·5, and for September 29, 1936, 111·5. The decline was 0·8 per cent in August, when a rise in food prices was more than offset by lower prices for industrial materials. In the past month there was a similar movement, though more pronounced, the index for food prices rising 2·7 per cent and that for industrial materials falling 2·9 per cent. The level of food prices is now higher than in any month since January, 1930, while industrial materials have fallen 4·8 per cent from the high point in the recent advance of 136·1 recorded in May of this year.

All three groups of food prices were higher in September than in the preceding month, cereals by 3·6 per cent, meat and fish by 4 per cent, and other food by 0·7 per cent. In industrial materials the iron and steel group was unchanged, but other metals and minerals declined 4 per cent, cotton 4·4 per cent, and other textiles 5·4 per cent.

In the cereals group, No. 2 Northern Manitoba wheat advanced 9s. a quarter on the month, London straight-run flour 2s. 6d. a sack, and La Plata maize 2s. 3d. a quarter. The *Gazette* average prices of English wheat, barley, and oats, however, were all lower than a month ago. In meat and fish, prices of beef and mutton showed little alteration, the higher index for this group



being due to dearer bacon, fish, and eggs. The group of other food was influenced chiefly by higher prices for home-refined sugar, cheese, butter, and lard.

### EMPLOYMENT SITUATION

In the returns of the Ministry of Labour it is estimated that at September 13, 1937, the number of insured persons, aged 16-64, in employment in Great Britain (exclusive of persons within the agricultural scheme) was approximately 11,599,000. On a comparable basis there was a decrease of about 7,000 compared with August 23, 1937, but an increase of about 473,000 compared with September 21, 1936.

There was an improvement in employment between August 23 and September 13 in coal mining and in the motor vehicle and pottery industries. On the other hand, there was a decline in employment in the building industry, hotel and boarding-house service, the distributing trades, stove and grate manufacture, shipbuilding and repairing, and in the cotton, wool, and tailoring industries.

At September 13, 1937, the numbers of unemployed persons on the registers of employment exchanges in Great Britain were 1,090,967 wholly unemployed, 191,737 temporarily stopped, and 56,500 normally in casual employment, making a total of 1,339,204. On a comparable basis there was an increase of about 30,000 compared with August 23, but a decrease of 236,000 compared with September 21, 1936. A total on September 13, 1937, comprised 1,034,809 men, 39,793 boys, 222,905 women, and 41,697 girls.

### AGRICULTURAL SITUATION

Although a marked deficiency in rainfall was a feature of the weather in August, this was favourable to hay-making and harvesting, and local showers were beneficial to all root crops. There was general harvesting of corn in the middle of August. According to a report of the Ministry of Agriculture and Fisheries, the yield and quality of wheat appeared to be good and the present forecast of the yield per acre is 16 cwts., which is some  $1\frac{3}{4}$  cwt. per acre less than the average yield for the ten years 1927-36 and about  $\frac{1}{4}$  cwt. below the yield obtained last year.

The barley crop has improved considerably, although in many districts it is short in the straw. The grain is reported to be in good condition, however, and of fair quality. The yield of barley is estimated to be about  $14\frac{1}{4}$  cwts. per acre, which is about 2 cwts. below the average for the preceding ten years and about 1.9 cwt. less than the yield in 1926. Oats are a variable crop. Winter oats are good, but spring-sown are a light crop and short in the straw. The quality of the grain is fair and the average yield is estimated at approximately 15 cwts. per acre, which is about  $\frac{1}{2}$  cwt. less than last year and about 1 cwt. below the average for the previous ten years. Beans and peas are fair crops but are rather below average. The yield of beans is estimated at about  $15\frac{3}{4}$  cwts. per acre as compared with  $15\frac{1}{4}$  cwts. last year and the ten-year average of  $16\frac{1}{4}$  cwts. Peas are expected to average approximately 14 cwts. per acre, against  $13\frac{1}{2}$  cwts. in 1936 and about  $14\frac{1}{2}$  cwts. for the past ten years.

Reports indicate that the potato crop is vigorous and healthy, with promise of an average yield. Very little disease is reported. For the whole country the total yield is forecast at about  $6\frac{1}{2}$  tons per acre, which is approximately  $\frac{1}{2}$  ton greater than the average of the estimates made on September 1 of the ten years 1927-36, but is the same as the average of the final estimates in those years and approximately  $\frac{1}{4}$  ton greater than the total estimated yield last year. Root crops have made good progress during the month, and it is expected that average crops will be obtained in most districts.

(Part II of this report, dealing with the Overseas Trade of the United Kingdom, will follow in a later issue.)

## IRISH FREE STATE MARKET FOR LUMBER AND WOOD PRODUCTS

JAMES CORMACK, CANADIAN TRADE COMMISSIONER

Dublin, October 1, 1937.—During the Great War the Irish Free State was to a considerable extent denuded of her commercial timber, but in recent years the Government has introduced a scheme of reforestation—20,000 acres to be planted yearly with a million acres as the objective. Over 110,000 acres have already been acquired for state forestry purposes, and 55,000 acres have been planted, while 81 forest centres have been established with forestry staffs. Some 20,000,000 trees and 50,000,000 seedlings were transplanted from beds to nurseries this year, in addition to millions of pine, larch, spruce, fir, elm, ash, beech, sycamore, walnut, and oak trees. The object is to make the Saorstát self-supporting in softwoods, to dispense with the large imports of “white deal,” and ultimately to produce domestic supplies of pulpwood.

### EXPORTS AND IMPORTS

Native timber has for many years been regularly exported, solely to the United Kingdom, some being sawn but the bulk unpeeled in the log. This trade has tended to diminish in recent years and is now valued at about £50,000 per annum. Recent reports of a shortage of pitwood in the Welsh and other mines would indicate a stimulated demand for pitprops and pitwood of ash, fir and larch, also for some railroad ties of oak and other hardwoods. Very little manufactured woodwork is exported.

The Irish Free State import market for lumber and its products has always been a valuable one. In 1936 the imports of wood, timber, and manufactures thereof were valued at £1,377,506 as compared with £1,200,333 in 1935 and £1,554,700 in 1934.

Detailed statistics for the major items of lumber and wood imported into the Irish Free State in 1935 and 1936 are available to interested Canadian exporters on application to the Department of Trade and Commerce, Ottawa (quoting No. 28576).

### HARDWOODS

Sawn hardwood imports in 1936 are given in the official statistics as 475,420 cubic feet valued at £102,267, an increase of roughly 10 per cent over the previous year. The United States was the chief supplier, having nearly doubled her previous year's figure to £46,842, followed by British West Africa, a new supplier, and by Canada with a 10 per cent increase to £4,876. The largest consumers are the railway and tramway companies, the port and docks boards, shipyards, the Electricity Supply Board, and cabinetmakers. In addition, there is a considerable demand for oak staves by breweries and distilleries, which is met mostly by supplies from the United States.

Hardwoods such as oak, ash, poplar and gumwood come from the United States and are used by cabinetmakers chiefly, ash being also used in the manufacture of wagons and motor lorries and for tool and implement handles.

### CANADIAN HARDWOODS

Canadian birch, chiefly used by cabinetmakers for chair and furniture making, comes in considerable quantities with small shipments of maple for flooring. The former is usually ordered in unplanned planks of from 1½ inch to 4 inches thick and from 2 to 16 feet in length. Ash squares, unplanned, between 40 and 50 inches long by from 1½ to 1¾ inch in thickness, are in good demand for making handles. The wood must be well seasoned and unplanned because of



the high import duty (50 per cent ad valorem) on planed or dressed woods of all kinds, except chip baskets and pyramid butter box shooks which are free.

European beech squares for furniture legs, and some United States hickory for handles, constitute a small trade. Floorings, mostly from the United Kingdom and the United States, are practically the only dressed woods entering the market; the total trade was valued at less than £8,000 in 1936. Before the local sawing industry was started and given protection, this trade was worth, roughly, ten times that amount. Very little real mahogany is now imported for the furniture industry, which caters to the cheaper trade; lauan from the Philippines is preferred on account of its lower price. There is a large and growing demand for hard plywood, mostly birch and alder, for making furniture, trunks, and coaches. Veneers are cheaper and better adapted for designs.

### SOFTWOODS

The import trade in softwoods comprises fully 75 per cent of the total. In 1936 the trade in softwoods was valued at over £800,000, or 20 per cent more than the previous year's total.

Fir, pine, spruce, larch, and elm are the woods mostly used. White elm, chiefly from the United States, is in good demand for making coffin boards, and there are opportunities for sales of the Canadian product to a section of the local trade. Russian timber has been displacing supplies from Finland and other sources to a marked extent. Apart from quoting low prices, Russian exporters have been more disposed to meet the requirements of the Irish Free State market. The demand for spruce, on account of reduced price, has increased recently.

### PRINCIPAL USES

The chief users of softwoods are the house-builders, whose trade in recent years has been greatly augmented by the initiation of government and municipal housing schemes. Suburban development and the construction of new industrial factories have also accounted for the local consumption of wood.

The railway companies are large purchasers of creosoted ties, mostly pine or redwood from Russia. The box-making trade also consumes much lumber, chiefly what are known as "Riga ends," from 5 to 9 feet long, largely white, but some red. These are cheaper and are considered more suitable than the longer lumber of from 9 to 30 feet.

The use of lumber in agriculture is largely confined to the erection and repair of steadings, hatches, shelters, barns, byres, stables, and the like.

### PLANED LUMBER

With government assistance, numerous planing mills have begun operations in the past three or four years, and planed or dressed boards (excluding floorings) can now be imported only under licence. In Dublin alone (apart from machines in builders' and cabinetmakers' factories), there are no fewer than eight sawmills, but only two of these saw hardwoods.

### BUTTER BOX SHOOKS

Imports of planed or dressed timber, valued at £132,326 in 1932, are now practically confined to butter box shooks. These shooks, however, constitute a large and valuable trade in which it should be possible for Canada to share by supplying a product comparable with that obtained from Sweden. The boxes must conform to government specification and inspection.

Specifications, together with a sample set of Swedish shooks, are available for inspection by interested Canadian exporters on application to the Department of Trade and Commerce, Ottawa (quoting file No. 28576).

## DOUGLAS FIR

The chief drawback to the development of the trade in Douglas fir, in common with other Western woods, is the lack of frequent, adequate and cheap cargo space for shipments to the Irish Free State. Its chief competitor is pitch pine, which was first in the market and is still well known and liked. The market for constructional work usually calls for merchantable quality logs of an average length of 30 feet in sizes of 12 by 12 inches, 14 by 14 inches, 16 by 16 inches, and 18 by 18 inches, also for wide boards of No. 2 clear and better for joinery work.

## SALES METHODS

Much of the lumber for this market is brought through Liverpool, Glasgow, London, and foreign brokers, who canvass the trade frequently and thoroughly. Practically all shipments of European timber come direct to Irish ports, as do most of the United States and Canadian shipments, although occasional parcels from the latter countries are transhipped at Liverpool, Bremen or Hamburg.

Timber merchants, chiefly in Dublin (doing about 50 per cent of the trade as against 90 per cent in pre-war years), Cork, Limerick, Waterford, and Sligo are as a rule well established. Local timber brokers also control some of the trade. Domestic manufacturing concerns have frequently requested to be placed in touch with Canadian sources of supply, but trade inquiries on their behalf have seldom been productive of business, as Canadian exporters have been unable to meet requirements at competitive prices.

## EMPIRE EXHIBITION, SCOTLAND, 1938: A CORRECTION

With reference to the report on the above subject, which was published in last week's issue of the *Commercial Intelligence Journal*, the first part of the second paragraph, page 711, should read as follows:—

"The trade of Canada with the United Kingdom in the calendar year 1936 continued the upward movement of recent years. Imports from the United Kingdom were valued at \$122,971,000—the highest figure in any year since 1930; while domestic exports to the United Kingdom, valued at \$399,831,000, were higher than in any year since 1928."

## TRADE OF NEW ZEALAND, JANUARY TO JUNE

R. P. BOWER, ASSISTANT TRADE COMMISSIONER

(Conversions have been made at the rate of N.Z.£1 equals \$4)

Auckland, October 4, 1937.—The total trade of New Zealand for the first six months of 1937 was over 25 per cent greater than for the same period of 1936. Preliminary statistics covering the first six months of the calendar year show that exports were valued at \$168,401,428 as compared with \$136,923,292 for the first six months of 1936. Import figures for the same periods were \$102,909,604 and \$79,639,276 respectively, indicating that the favourable balance, which amounted to \$57,284,016 in the first half of 1936, had increased to \$65,491,824 for the first half of 1937. Although the value of both exports and imports registered substantial gains, the percentage increase was greater in the case of imports.

## EXPORTS

Practically every item of importance entering New Zealand's export trade showed an increase in value in the period under review when compared with the similar period of 1936.



The most important individual export was wool, and although the total shipments fell from 766,279 bales to 703,521 bales, due to higher prices, the returns increased from \$43,410,908 to \$65,319,148. The United Kingdom was again the most important buyer of New Zealand wool, although substantial shipments were made to a number of other countries, particularly Japan and Germany.

The quantity of butter exported rose from 1,398,418 cwts. (of 112 pounds) to 1,593,630 cwts., and the value from \$28,537,260 to \$33,004,036.

Shipments of cheese at 902,757 cwts. (\$10,872,148) were above the corresponding period the year before, when the totals were 898,745 cwts. (\$10,232,864). The values shown for butter and cheese are not the prices guaranteed to the producer under the terms of the Primary Products Marketing Act, but are the declared export values based on prices ruling in the overseas markets.

The trade in frozen meats was well maintained. The most important individual item under this heading was lamb, whole carcasses, exports of which amounted to 1,841,164 cwts. (\$24,773,296) for the six months ended June 30, 1937, as compared with 1,752,898 cwts. (\$22,629,880) for the corresponding period a year ago. A decrease in the quantity and value of frozen mutton carcasses is recorded, the figures being 414,747 cwts. (\$3,160,780) in the 1937 period as compared with 499,684 cwts. (\$3,849,364) in 1936. Although the quantity of frozen pork showed a small decline at 329,701 cwts., the value at \$3,693,892 was \$115,224 more than for the corresponding six months in 1936. Exports of sausage casings remained steady at about 1,530 tons, although the value rose from \$1,819,120 to \$2,253,552.

The value of dried milk exports fell by almost 50 per cent from \$854,388 to \$437,652. As the quantity exported declined by only 26 per cent, a considerable fall in prices is indicated. Exports of milk and cream, preserved and condensed, rose from 2,024 to 2,327 tons, and the value from \$265,348 to \$315,528.

An increase was shown in the total exports of undressed hides and skins, although certain items in the group, such as opossum and rabbit, showed minor declines. Increases were registered in the exports of calf skins, horse hides, and sheep skins, with and without wool. Exports of this last item amounted to 7,832,529 hides (\$4,744,868) as compared with 6,866,348 hides (\$3,175,364) in the previous year.

#### DESTINATIONS OF EXPORTS

As usual the United Kingdom provided the principal market for New Zealand produce, 71 per cent of all exports being destined for that country. Shipments to the United Kingdom for the first six months of 1937 were valued at \$120,208,320 as compared with \$105,909,960 for the same period of 1936. The United States, as in 1936, was the second most important customer in the first six months of 1937 with purchases valued at \$14,604,000 as compared with \$6,160,000 for the same period the year before. Japan, which was the fourth most important customer for the first six months of 1936, moved into third place for the same period this year, shipments to that country increasing from \$4,556,000 to \$10,924,000. This increase is due largely to heavy purchases of New Zealand wool.

Canada was in fourth place among purchasers of New Zealand products in the period under review with \$5,222,932 as compared with \$2,853,040 for the corresponding period in 1936. (Australia and France were more important purchasers in 1936.) The principal destinations of New Zealand exports in order of importance for the first six months of 1937 are as follows: United Kingdom, United States, Japan, Canada, Australia, France and Germany. The increase in the value of shipments to Germany is particularly noteworthy—from \$788,760 in the 1936 period to \$2,674,512 in the first half of 1937.

## EXPORTS TO CANADA

Available figures do not show the distribution of New Zealand's increased export trade. However, exports to Canada increased by 82 per cent for the period, although total exports to all countries increased by only 23 per cent.

Exports of New Zealand produce to Canada for the first half of 1937 were valued at \$5,226,376 as compared with \$2,859,576 for the first half of 1936. This improvement is attributable largely to the greater value of wool shipments. Greasy wool exported to Canada increased from 20,185 bales in the first half of 1936 to 22,041 bales in the first half of 1937. The higher prices prevailing for wool raised the value of these shipments from \$1,093,348 to \$2,150,120. Scoured wool shipments increased in quantity from 5,589 bales to 6,722 bales, and in value from \$375,700 to \$684,616.

Of the twelve leading products exported to Canada, ten showed satisfactory increases, and only two, butter and calf skins, declined. The following are the principal items of export, with the values for the first half of 1936 within parentheses: casein, \$19,136 (\$3,344); cheese, \$14,480 (\$5,942); sausage casings, \$840,540 (\$442,512); fresh apples, \$95,000 (\$49,780); cattle hides, \$296,652 (\$78,036); sheepskins with wool, \$237,912 (\$100,532); sheepskins without wool, \$45,388 (\$22,808); greasy wool, \$2,150,120 (\$1,093,348); scoured wool, \$684,616 (\$375,700); slipe wool, \$576,984 (\$446,292); grass seed, \$71,120 (\$17,224); kauri gum, \$36,840 (\$14,432); butter, \$1,660 (\$49,300); calfskins, \$56,276 (\$107,408).

## IMPORTS

The list of goods imported into New Zealand is much more varied than the exports. The figures for the first half of 1937 are 29½ per cent above those for the same period of 1936, and give further proof of the increased prosperity of the Dominion and the higher purchasing power of the inhabitants. For the period under review the United Kingdom was the leading supplier with \$52,136,612 or 56 per cent of the total. The second largest supplier was the United States with \$11,805,960 or 11½ per cent, followed by Australia (\$11,545,280 or 11 per cent), Canada (\$7,862,580 or 7½ per cent), and the Dutch East Indies (\$4,264,884 or 4 per cent). In all, thirty-one overseas countries increased and twelve decreased their shipments to New Zealand in the first half of the year.

## IMPORTS FROM CANADA

Imports from Canada for the first six months of 1937, at \$7,862,580, represented an increase of \$1,338,892 or 20 per cent over the first six months of 1936. On the same basis imports from all sources increased by approximately 30 per cent. Unfortunately, detailed statistics of sources of supply other than Canada are not yet available. It is possible, however, to review briefly the trade in a few of the major commodities of interest to Canadian exporters. The figures after each heading indicate the total importations from all sources during the period under review.

## NOTES ON THE PRINCIPAL IMPORTS

*Tinned Fish.*—1937, \$464,744; 1936, \$311,128.

Imports of tinned fish, principally salmon, from Canada in the first six months of 1937 were valued at \$257,244 compared with \$188,984 in the first six months of 1936.

*Wheat and Flour.*—Wheat: 1937, 241,402 bushels valued at \$332,976; 1936, 237,067 bushels valued at \$205,716. Flour: 1937, 310 tons valued at \$28,104; 1936, 5,225 tons valued at \$366,828.

Statistics for the first six months of the year reflect the Government's policy with respect to the importation of flour. Early in 1936 legislation placed the local wheat and flour-milling industries in the hands of the Government. Existing contracts with overseas flour mills were allowed to continue, which accounts for the continuing heavy imports of flour during the first half of 1936. These contracts had expired, and the full effect of the



legislation became apparent in the first half of the current year, when the total flour imports amounted to only 310 tons compared with 5,225 tons for the same period of 1936. Canada suffers more by this legislation than any of the other suppliers, her share of this trade falling from \$222,328 to \$25,840. There was some compensation in the increased importation of Canadian wheat for local milling. Canadian imports rising from \$17,924 in 1936 to \$56,300 in 1937. It is the aim of the authorities to make this Dominion self-sufficing in the matter of wheat, although it is doubtful if this position will be reached for some time to come. Both Canadian and Australian wheats are now imported, the former for milling and the latter almost entirely for feed purposes.

*Macaroni, Vermicelli, and Spaghetti.*—1937, \$24,432; 1936, \$22,320.

Canada managed to increase her business in these commodities from \$7,064 to \$9,580. Australia continues to be the only other supplier of any account, and supplied the bulk of the remainder.

*Salt.*—1937, \$194,856; 1936, \$188,860.

The United Kingdom averages about 67 per cent of this business, Australia 27 per cent, and Canada the balance. Canada's business in the 1937 period was valued at \$11,884 compared with \$8,176 in 1936.

*Whisky.*—1937, \$788,556; 1936, \$561,636.

Canadian types of whisky are almost unknown in this market and for many years have not obtained more than an infinitesimal share of it. The statistics do not indicate any importations for the first six months of 1936 and only to the value of \$840 in the first six months of 1937.

*Hides, Pelts, and Skins.*—1937, \$179,696; 1936, \$157,804.

This heading includes calf skins, cattle hides, opossum skins, rabbit skins, sheep skins, and others. Canada's business is entirely in furs for the clothing trade, and imports for the period, at \$16,328, were \$8,324 less than for the same period of 1936.

*Hosiery.*—1937, \$692,476; 1936, \$371,880.

This heading includes all kinds of hosiery such as men's, women's, and children's, cotton, wool, silk, and artificial silk. The United Kingdom obtains the bulk of the business under this heading, largely because of the dominant position she holds in the wool and cotton imports. Canada's business, which is almost exclusively in women's full-fashioned silk hose, is the second most important source of supply and figures for the 1937 period amounted to \$146,400 compared with \$124,932 in 1936. This is noteworthy in view of the increased competition from local factories, and the fact that Canadian silk hosiery is assessed at a somewhat higher rate of duty than similar merchandise from the United Kingdom or Australia.

*Apparel n.e.i.*

The total figures under this heading are not available. Imports from Canada have shown a sizeable increase from \$44,980 in the first half of 1936 to \$133,324 in the period under review. The style of Canadian dresses meets with favour, and the prices competitive. This trade is of particular value to Canada as, due to complementary seasons, New Zealand is able to absorb substantial quantities of end-of-season merchandise. Under normal conditions the trade should show further expansion.

*Boots, Shoes, and Slippers.*—1937, \$1,288,968; 1936, \$836,044.

In the first half of 1937, \$330,952, or 25 per cent of imports under this heading, came from Canada. This represents an increase of \$83,472 over the 1936 period. Although children's shoes, rubber boots, slippers, rubber and leather shoes are included, the bulk of the business coming from Canada was in rubber boots, imports in the 1937 period amounting to \$263,684 compared with \$202,584 for 1936. The large outlet for rubber boots, or gum boots, as they are called in this country, is among dairy and sheep farmers. Leather shoes from Canada increased in value from \$15,536 to \$23,952.

*Silk and Artificial Silk Piece-goods.*—1937, \$2,278,624; 1936, \$1,760,480.

The United Kingdom and Japan contend for leadership under this heading, with Italy, France, and Australia competing for second place. Canada's share during the 1937 period, valued at \$68,512, compares very unfavourably with the \$166,760 obtained in the 1936 period. Total importations have increased, and with the data available at present it is not possible to state to which country Canada has lost ground.

*Copper Pipes and Plates.*—1937, \$236,300; 1936, \$187,900.

The United Kingdom is the chief supplier under this heading, Canada taking second place. Imports from Canada during the 1937 period at \$79,208 showed a satisfactory increase over the 1936 total of \$38,120.

*Bolts and Nuts.*—1937, \$246,864; 1936, \$171,596.

Canada is generally in second place to the United Kingdom under this heading, imports being valued at \$24,396 for the first six months of 1937 compared with \$20,064 for the 1936 period.

*Meters, Measuring Appliances, etc.*—1937, \$490,384; 1936, \$344,144.

In the period under review Canada registered a substantial increase under this heading; values for the first six months of 1937 and 1936 were \$64,576 and \$35,900 respectively. The bulk of the business was in electric house service meters, in which she was second to the United Kingdom.

*Iron and Steel Tubes, Pipes and Fittings.*—1937, \$973,064; 1936, \$821,876.

Imports under this heading come largely from the United Kingdom. In the period under review Canada's share increased from \$111,436 to \$149,924.

*Tools and Implements, Artificers'.*—1937, \$619,848; 1936, \$536,176.

The United Kingdom and the United States consistently obtain a larger share of this business than Canada; nevertheless at a time when total importations increased by only 15 per cent, Canada's total rose by 53 per cent, from \$59,452 to \$91,180.

*Hardware, Cutlery, and Metal Manufactures n.e.i.*—1937, \$1,670,388; 1936, \$1,370,988.

Canada is the second most important Empire supplier in this group, following the United Kingdom; the United States is the only foreign supplier with a total larger than Canada's. Figures for the 1937 period at \$69,036 were well above the \$35,780 recorded in 1936.

*Agricultural Implements and Machinery.*—1937, \$406,140; 1936, \$260,956.

Despite the fact that Canadian products are assessed at a higher rate of duty than any other Empire country on agricultural equipment entering New Zealand, imports for the first half of this year amounted to \$66,248 compared with \$33,892 for the corresponding period of 1936.

*Electrical Machinery and Equipment.*—1937, \$4,929,696; 1936, \$3,184,836.

In every category under this heading Canadian shipments during the period under review showed an increase over the corresponding period of 1936. Some of the more important items, with the 1936 values within parentheses, were as follows: storage batteries and parts, \$33,996 (\$15,668); batteries other than storage, \$60,724 (\$47,784); carbon for arc lamps, \$4,944 (\$1,156); electric motors, \$66,156 (\$36,060); electric ranges, \$86,540 (\$26,260).

*Wireless Apparatus.*—1937, \$885,808; 1936, \$148,404.

The largest overseas supplier of radios is the United States, which has averaged more than 50 per cent of the total importations under this heading. The United Kingdom, Australia, Canada, and the Netherlands compete for the balance of the business. Canada's share in the first half of 1937 was \$19,536 compared with \$7,424 for the same period in 1936. Imports of other wireless apparatus from Canada for the same period fell to \$8,408 from \$9,864. There is a well-established local industry assembling sets from imported parts, using cabinets of local manufacture. Canadian part manufacturers, due to patent and other complications, are seldom able to compete with American and Continental sources of supply.

*Typewriters.*—1937, \$149,728; 1936, \$75,240.

For the first six months of 1936 the statistics did not record any typewriters of Canadian origin. In the first half of this year, however, shipments valued at \$25,564 were received.

*Washing Machines.*

Total import statistics are not available, although the Canadian business was valued at \$100,316 for the first half of 1937 compared with \$41,684 for the first half of 1936. Canada has long been the leading supplier of this commodity. In New Zealand the number of installations per capita is still small, but with the rising cost of domestic help a growing market may be anticipated.

*Timber, Sawn.*—1937, \$789,008; 1936, \$544,636.

Canada's share of this business rose from \$89,164 in the first half of 1936 to \$131,192 for the similar period this year. Douglas fir rough sawn accounted for \$57,964 and \$94,736 in the two periods respectively.

*Newsprint.*—1937, \$594,260; 1936, \$802,436.

A decrease in the importation of newsprint is accounted for by forward purchases on the part of large New Zealand consumers, in an effort to avoid rising prices. Canada obtains the bulk of the imports under this heading; figures for the first half of 1937 were \$527,028 compared with \$761,916 for the first half of 1936. Imports of wrapping paper were \$112,300 compared with \$94,776.

*Motor Vehicles.*—1937, \$11,788,204; 1936, \$10,019,276.

The number of vehicles represented by the preceding values was 14,681 in the first half of 1936 and 17,277 in the first half of 1937. Due to a change in the tariff on completed automobiles, the figures for 1937 refer largely to vehicles completely knocked down, compared to assembled cars in the 1936 statistics. The values from Canada under this heading were



\$2,258,276 and \$2,831,116 respectively. The 1937 figures were comprised of passenger vehicles, completely knocked down, valued at \$1,996,948; assembled vehicles other than trucks, \$2,904; and lorries, trucks, vans, and buses, completely knocked down, \$831,264. Tariff action to protect the local assembling of automobiles has accounted for the change in the nature of the Dominion's trade, from the finished car to the unassembled parts.

*Rubber Tires for Motor Vehicles and Motor Cycles.*—1937, \$1,511,334; 1936, \$1,270,116.

The above increase reflects the wider use of motor vehicles in New Zealand, which is further shown by a substantial increase in the amount of fuel consumed. Canada's share of the pneumatic rubber tire and inner tube business rose from \$452,836 in the first half of 1936 to \$703,552 in the first half of 1937. Only the United Kingdom exceeded Canada as a source of supply.

Detailed statistics covering exports from Canada to New Zealand, and imports into Canada of New Zealand origin, for the six months ended June 30, 1937, are on file in the Department of Trade and Commerce, Ottawa, and may be obtained on application (quoting file No. 18806).

## BERMUDA MARKET FOR CANNED FRUITS AND VEGETABLES

D. S. COLE, CANADIAN TRADE COMMISSIONER

New York, September 22, 1937.—Bermuda with its large tourist trade and scant acreage, with agriculture confined to the production of certain classes of vegetables, has to depend to a large extent on imported canned fruits and vegetables. While the wealthier inhabitants and the hotel trade naturally prefer fresh fruits and vegetables when they are available, a large portion of the population cannot afford these luxuries and are mainly dependent upon canned products for their tables.

### DISTRIBUTION OF IMPORT TRADE

Details of imports of canned fruits and vegetables by countries of origin for individual varieties are not available, but the general figures of imports for the years 1934 to 1936 inclusive are as follows, sterling values being converted into Canadian at the rate of \$5 to the pound:—

#### *Canned Fruits*

Country of Origin	1936		1935		1934	
	Packages No.	Value \$	Packages No.	Value \$	Packages No.	Value \$
Canada . . . . .	2,147	8,440	3,675	14,585	4,502	15,795
United Kingdom . . . . .	241	1,580	367	2,370	427	2,440
United States . . . . .	4,070	23,230	4,058	19,650	3,956	19,265

#### *Canned Vegetables*

Country of Origin	1936		1935		1934	
	Packages No.	Value \$	Packages No.	Value \$	Packages No.	Value \$
Canada . . . . .	11,484	39,390	14,804	44,145	15,297	45,840
United Kingdom . . . . .	611	2,240	598	2,130	734	2,320
United States . . . . .	5,518	22,230	4,309	16,915	3,387	14,000

From the above figures it will be seen that, despite a considerable margin of duty preference, imports of Canadian canned fruits have fallen off since 1934, and in a lesser degree this applies to canned vegetables. On the other hand, United States canners and exporters have steadily increased their shipments to Bermuda.

## EXPORTS FROM CANADA TO BERMUDA

Canadian statistics for calendar years 1934 to 1936 are more detailed than Bermuda figures and show separately exports of beans and tomatoes. These are as follows:—

*Canned Fruits and Vegetables*

	1936		1935		1934	
	Pounds	\$	Pounds	\$	Pounds	\$
Fruits, n.o.p. . . . .	86,050	8,095	133,938	10,772	142,537	11,148
Beans . . . . .	179,420	9,462	222,117	10,969	194,243	9,593
Tomatoes . . . . .	185,784	8,868	131,385	6,322	105,363	4,899
Vegetables, n.o.p. . . .	315,842	19,377	310,852	18,232	335,365	19,476

## UNITED STATES EXPORTS TO BERMUDA

United States government statistics show in detail the exports of individual commodities from that country to Bermuda. Latest figures, 1934 to 1936 inclusive, are as follows:—

*Canned Fruits and Vegetables*

Commodity	1936*		1935		1934	
	Pounds	\$	Pounds	\$	Pounds	\$
Apples and sauce . . . . .	3,426	250	6,234	400	7,053	431
Apricots . . . . .	5,479	515	10,455	1,068	5,357	522
Cherries . . . . .	3,525	370	5,815	760	5,481	707
Loganberries . . . . .	720	64	490	45	90	12
Peaches . . . . .	30,614	2,212	31,994	2,372	30,825	2,216
Pears . . . . .	18,557	1,380	19,321	1,414	17,895	1,563
Other canned berries . . . .	5,077	670	.....	.....	.....	.....
Other canned fruits . . . . .	.....	.....	9,254	1,029	7,983	927
Asparagus . . . . .	12,600	2,475	10,409	1,803	9,979	1,623
Beans (baked pork and beans)	20,178	941	16,471	1,138	16,537	916
Corn . . . . .	15,935	1,227	12,078	1,168	11,075	988
Peas . . . . .	25,771	2,328	12,813	1,387	13,953	1,876
Tomatoes . . . . .	24,591	1,620	22,873	1,532	14,136	1,103
Other canned vegetables . . .	84,075	6,017	50,977	5,355	42,579	4,142

\* Preliminary figures.

## MARKET REQUIREMENTS AND PRICES

Some details of market requirements for Bermuda, with prices c.i.f. Hamilton, are as follows:—

*Gallon Apples.*—Canadian canned apples compete successfully with United States supplies. The demand is for No. 10 tins, prices this year being in the vicinity of \$4.50 per dozen.

*Peaches and Pears.*—Prices for Canadian peaches in No. 2½ tins range from \$1.95 to \$2.10 per dozen, there being a differential of 6 to 10 cents per dozen in favour of Canadian supplies as compared with Californian, owing to lower duty. There have been some recent importations of peaches and pears from Australia, but these are of standard grade whereas the Canadian and Californian fruit is chiefly choice grade. On the basis of present Canadian prices, Australian fruit lands in Bermuda at about the same cost as Canadian. While the largest seller is the No. 2½ tin, there is a fair demand for the No. 2 and the 8-ounce size. Most of the hotel trade, however, is in the No. 10 tin.

*Cherries.*—Cherries, chiefly of United States origin, are imported in a variety of sizes, of which No. 2½ tins, at an approximate price of \$3.45 per dozen, are the best sellers. Quotations from Canada are mostly for the red pitted variety and, while there is a certain demand for this type for pie fillings, there is also a considerable demand for the Queen Anne cherries. Maraschino cherries are offered from Canada in 3½-ounce and 9-ounce glass jars, but shipments from the United States range from the 2-ounce size up to gallons, there being a fair demand for all sizes.



The Canadian cherries in the small jars have given satisfaction, and an extension of the range of sizes would help this trade.

*Raspberries and Strawberries.*—Supplies of Canadian origin are sold in No. 2 tins squat at \$1.50 and \$1.80 per dozen respectively.

*Blueberries.*—Canada ships the largest quantity of blueberries, No. 2 tins squat at about \$1.10 per dozen being chiefly in demand.

*Asparagus.*—Previous to last year there were very small quantities of Canadian asparagus imported into Bermuda, practically all of the supplies coming from California. Such quantities as were imported from Canada were considered to be of exceptionally good quality by the grocery trade. Only fancy grade is used, the sizes most in demand being 1's and 1½'s. The Canadian price is below the Californian, but the United States product is packed in square tins whereas the Canadian is in round tins. The trade seems to prefer the square package, but the round packages may be accepted as a result of consumer education. The price for Californian 16-ounce square tins is approximately \$2.45 per dozen.

*Beans and Beets.*—Beans and beets are largely of Canadian origin, all the regular sizes, 16-ounce, 2's, and 2½'s, being in general demand. Prices for 2's are around 95 cents for beans and \$1.30 for beets. Fresh supplies are, of course, preferred, and fairly large quantities of fresh beans are shipped from New York. Several well-known brands of pork and beans are also favoured.

*Corn.*—United States canned corn seems to have a slight preference over the Canadian variety, but the prices are practically the same. No 2 tins are chiefly in demand at approximately \$1.05 per dozen.

*Peas.*—The bulk of the imports of canned peas comes from Canada, No. 2 tins being favoured at about \$1.12½ per dozen. There are some importations from Great Britain.

*Tomatoes.*—In the past some quantities of tomatoes were imported from Italy, but it was impossible to obtain supplies from that source last year. The Italian varieties are favoured in Bermuda on account of there being more fruit and less juice in the Italian pack than in the United States or Canadian. The demand is chiefly for tomatoes in sizes ½'s, 1's, 2's, and 2½'s at prices of 50 cents, 60 cents, 75 cents, and \$1.15 per dozen respectively.

#### BERMUDA TARIFF AND PREFERENCES

The Canada-United Kingdom Trade Agreement of 1932 provided a margin of preference of 15 per cent ad valorem on canned fruits and vegetables from Canada imported into Bermuda. Thus, Canadian canned goods pay a duty of 10 per cent ad valorem as against a general tariff of 25 per cent ad valorem.

Bermuda, as a party to the Canada-West Indies Trade Agreement of 1925, pledged herself to exempt Canadian goods from a 10 per cent surtax then imposed on all goods entering Bermuda. At that time, most products entering Bermuda were subject only to a 10 per cent ad valorem duty, which meant a preference margin of 1 per cent. On December 31, 1928, the 10 per cent surtax was increased on foreign goods to 25 per cent, thus increasing the preference margin to 2½ per cent.

#### MARKET FOR FRESH FROZEN FRUITS

A fair volume of frozen fruits, chiefly of one well-known brand, is sold in Bermuda. Canadian packers having supplies available at competitive prices could share in this trade. The better-known United States brands are already represented by large retail grocery stores, but not all grocers in Hamilton are equipped with refrigeration suitable to handle this trade.

The distribution of canned fruits and vegetables is in the hands of commission agents in Hamilton who sell direct to the leading retail grocers.

## CANNED FRUITS AND VEGETABLES IN JAMAICA AND THE BAHAMAS

F. L. CASSERLY, OFFICE OF THE CANADIAN TRADE COMMISSIONER

### Jamaica

Kingston, Jamaica, September 17, 1937.—The market in Jamaica for canned fruits and vegetables is essentially a luxury one because plentiful supplies of fresh tropical fruits and vegetables are available all the year for consumption by the masses of the people. The demand, however, appears to be slowly increasing, the outlook for peaches, pears, peas, and tomatoes being exceptionally good.

#### IMPORTS OF FRUITS

Canned fruits are not separately shown in the import statistics, but are included in the category "jams, jellies, and preserved fruits," of which total imports in the calendar year 1936 were 379,013 pounds valued c.i.f. at £9,896. To this total the United States contributed 158,918 pounds (£3,830); the United Kingdom, 147,002 pounds (£4,524); Canada, 29,784 pounds (£590); Hongkong, 16,144 pounds (£346); China, 11,428 pounds (£221); and Japan, 7,261 pounds (£52). In the six months ending June 30, 1937, imports totalled 272,623 pounds (£6,516), of which the United States supplied 120,050 pounds (£3,069); the United Kingdom, 101,867 pounds (£2,492); Canada, 22,865 pounds (£483); Japan, 10,151 pounds (£142); and Hongkong, 8,525 pounds (£141). Only small supplies were brought in from other countries.

Imports from the United Kingdom were principally jams; from the United States and Canada, canned fruits; and from Hongkong and China, specialties used by the local Chinese community. Japan supplied canned fruits and some jams. Canada's share of the trade in the first half of 1937 was equal to almost 80 per cent of imports from the Dominion of these commodities in the entire year 1936. Competition is chiefly from California and other parts of the United States. The limited domestic production of fruit jellies and canned grapefruit has little effect on the volume of imports.

#### IMPORTS OF VEGETABLES

Canned vegetables are included in the customs classification "vegetables, dried, canned, or preserved," imports of which in 1936 totalled 108,819 pounds (£1,949), Canada being the largest supplier with 67,334 pounds (£936) to her credit. The United States shipped 21,177 pounds (£545); the United Kingdom, 12,130 pounds (£243); and Belgium, 7,204 pounds (£175). In the six months ending June 30, 1937, total imports of these goods were 66,840 pounds (£750), the United States supplying 36,246 pounds (£287); Canada, 24,631 pounds (£297); United Kingdom, 4,109 pounds (£101); and Belgium, 1,174 pounds (£41). Only small quantities were imported from other countries.

#### TARIFF PREFERENCES

The Jamaican import duties on canned, dried, and preserved fruit, jams, and jellies are, ad valorem, 15 per cent under the British preferential and 30 per cent under the general tariff. On sauces the rates are, respectively, 20 per cent and 30 per cent; on pickles, unspecified condiments, and dried, canned, or preserved vegetables, respectively, ad valorem, 15 per cent and 20 per cent. In addition to these duties, which are now levied on c.i.f. Kingston values, a tax of 1s. is collected upon every package, irrespective of country of origin. The c.i.f. valuation has caused no increase of retail prices.



### MARKET REQUIREMENTS

The chief kinds of canned fruit used in Jamaica are pears, peaches, apricots, and cherries. Grapes, plums, greengages, strawberries, pineapple, and mixed fruit for salad are also on the market. The usual sizes of cans are No. 2½ (28 ounces net), No. 1 (about 16 ounces net), and an 8-ounce can. The No. 2 size, of between 19 and 20 ounces net, is also on the market but is not so popular. The fruit is in syrup of medium consistency corresponding to standard California grade. Cans are attractively labelled and are put up in wire-bound wooden cases holding seventy-two of the 8-ounce size, forty-eight No. 1's, or twenty-four No. 2½'s.

The greater portion of imports of canned vegetables consist of peas, of which Canada has been Jamaica's largest supplier during the past two years. Early June peas in No. 2 tins, and baked beans with pork flavouring, are quite popular; the No. 1 size in peas has been supplanted by a 10½-ounce can. French and Belgian canned peas of *petits-pois* type have lost ground in late years.

Canned tomatoes are second in importance and Canada now has much of this business. Cans are of 10½ ounces net, also No. 1, No. 1 tall, Nos. 2, 2½, and 3.

Small quantities of canned corn, coming mainly from Canada in No. 1 and No. 2 sizes, and of white asparagus supplied by California in square tins of 16 ounces (No. 1) and 31 ounces (No. 2), are also sold. The former size of can usually contains "tips." Some Canadian green asparagus has appeared on the market.

### TRADE PRACTICES

Imports are heaviest in November, December, and January. Canned fruits and vegetables are sold through commission agents, of whom most are large merchant houses carrying stocks. These supply the wholesalers and retailers. It is customary for canners to quote firm prices at or shortly following the opening of the canning season, and for orders to be placed, usually covering a fairly long period, on the basis of those quotations. At present quotations on some lines of canned fruits are slightly higher than those of last year. Opening prices for vegetables are usually given in June or July.

There are no noteworthy developments in business methods or advertising; the latter is done to a considerable extent in local newspapers and moving pictures and also by means of outdoor display signs. There is some direct-to-consumer advertising through the mails, and premiums of various kinds (e.g. spoons or other useful household articles) are given in exchange for labels.

### FRUIT-CANNING PROJECTS

From time to time during the past two or three years projects for fruit canning and preserving on a large scale have been mooted, but nothing has come of them so far. However, the establishment of a technical scale fruit-canning and preserving unit at a cost of £2,500 is included in the Jamaica Government's program of agricultural development. The purpose is to examine the possibilities of marketing locally grown fruits and vegetables, especially surplus output, in the canned or preserved state. Portions of the unit have already been purchased, but it is not expected to be in operation for some considerable time to come.

### EFFORT TO CHANGE EATING HABITS

This project, which will be mainly experimental and exemplary, synchronizes with an effort to persuade the Jamaican people to eat, for the sake

of their health, less imported preserved foods and more locally produced fresh foods. Some months ago the Government appointed a Committee on Nutrition to examine the people's eating habits and to make recommendations for their improvement. The committee's report has not yet been published.

This matter first came into public view during the celebration of British Empire Health Week, under official auspices, in October, 1936, when addresses were given in several parts of the country by Government doctors and others, and official pamphlets circulated, advocating the change of diet. This campaign has so far had no effect upon the import trade in canned fruits and vegetables, which are seldom eaten by the masses of the people to whom the propaganda is chiefly addressed.

### **The Bahamas**

Imports of jams, jellies, and preserved fruit into the Bahamas in the six months ending June 30, 1937, were valued at £2,059, of which the United States is credited with £1,680, the United Kingdom with £238, and Canada with £141. In the same period imports of canned vegetables totalled £1,330, the United States supplying to the value of £1,132 and Canada £183. There were also relatively small imports, mainly from the United States, of preserved guavas, pine-apples, and tomatoes.

The varieties of canned fruit and vegetables in demand are much the same as those sold in Jamaica, but first-rate quality is perhaps more insisted on in the Bahamas. Consumers are limited to the middle- and upper-class resident population and to the many thousands of tourists who visit Nassau each year. Recently, several wealthy Americans and Canadians have built winter homes in the Bahamas. As the forthcoming winter tourist season is expected to be good, the outlook for the trade in canned fruits and vegetables appears favourable.

Canadian products have a tariff preference of 10 per cent ad valorem, and are well liked. Most of the business, however, goes to the United States; there is a bi-weekly shipping service between Nassau and Miami.

The Department of Trade and Commerce has on file an up-to-date list of the principal brands of canned fruit and vegetables imported into the Bahamas, together with a list of the chief importers.

## **REVIEW OF INDIA'S TRADE WITH CANADA**

PAUL SYKES, CANADIAN TRADE COMMISSIONER

(One rupee equals Can. \$0.375.)

Calcutta, September 24, 1937.—An official report dealing with India's trade with individual countries during the year ending March 31, 1936, and the four preceding years has just been published. These statistics have been combined with summary figures for the fiscal year ending in March, 1937, and with preliminary data for the first four months of the current fiscal year in the analysis of recent trade between Canada and India as given below.

### **BALANCE OF TRADE**

During the six years from April, 1931, to March 31, 1937, India enjoyed an extremely favourable balance in her trade with Canada. The total value of India's exports to the Canadian market during this period was Rs.106,170,691 and the corresponding value of imports of Canadian goods was Rs.40,113,324. The situation was particularly unfavourable to Canada during 1932-33 when the balance stood at almost five to one in India's favour, but improved appre-



ciably in 1935-36 when imports from Canada were valued at slightly more than half of that of exports of Indian products to the Dominion. The position was less favourable during the year ending March last, the ratio in favour of India being slightly better than three to one. These trends are illustrated in the accompanying table:—

## Trade between India and Canada

	Indian Imports from Canada	Indian Exports to Canada
1931-32	Rs. 4,166,504	Rs. 14,785,501
1932-33	3,354,392	16,279,469
1933-34	6,867,428	18,841,011
1934-35	9,156,831	17,229,325
1935-36	9,374,521	17,243,213
1936-37	7,193,648	21,892,172

## CANADA'S POSITION IN THE INDIAN MARKET

In 1936-37 Canada was in twentieth place as a supplier of India's requirements, following the United Kingdom, Japan, Germany, United States, Straits Settlements, Kenya, Belgium, Iran, Egypt, Ceylon, Switzerland China, Netherlands, Soviet Russia, Italy, France, Australia, Sweden, and Czechoslovakia. As an export market for Indian goods Canada stood in twelfth place, being preceded in order of importance by the United Kingdom, Japan, United States, Germany, France, Ceylon, Belgium, Italy, Straits Settlements, Netherlands, and Australia.

## IMPORTS INTO INDIA FROM CANADA BY COMMODITIES

The appended table shows imports of principal commodities into India from Canada during the fiscal years 1931-32 to 1935-36:—

### Imports into India from Canada of Principal Commodities

Commodities	1931-32	1932-33	1933-34	1934-35	1935-36
	Values in Thousands of Rupees				
Total .. .. .	4,167	3,354	6,867	9,157	9,375
Motor cars .. .. .	1,040	616	2,552	3,321	3,820
Motor bus chassis .. .. .	884	581	1,529	2,444	2,988
Motor car parts .. .. .	353	183	510	699	748
Calcium carbide .. .. .	105	149	105	186	269
Farinaceous foods .. .. .	....	94	217	281	254
Lumber .. .. .	27	23	37	41	170
Aluminium .. .. .	178	18	225	821	164
Canned fish .. .. .	42	51	57	98	113
Printing paper .. .. .	....	7	100	172	101
Motor buses .. .. .	13	3	110	118	94
Tire casings .. .. .	755	476	676	412	61
Wood pulp .. .. .	92	....	35	28	59
Pickles and sauces .. .. .	....	1	31	33	52
Zinc and spelter .. .. .	37	549	169	84	48
Evaporated milk .. .. .	9	31	60	27	47
Miscellaneous chemicals .. .. .	....	12	18	40	40
Building materials .. .. .	1	7	15	23	39
Miscellaneous foodstuffs .. .. .	24	42	27	27	38
Paints and materials .. .. .	3	41	11	20	29
Drugs and medicines .. .. .	3	3	18	29	25
Fencing and wire .. .. .	....	....	16	4	25
Books and printed matter .. .. .	8	12	4	10	19
Belting .. .. .	8	21	4	18	17
Hardware .. .. .	12	11	5	21	16
Electrical equipment .. .. .	112	169	51	14	14
Writing paper and envelopes .. .. .	13	11	21	17	13
Agricultural machinery .. .. .	....	....	71	....	13
Raw asbestos .. .. .	....	....	....	....	12
Miscellaneous instruments .. .. .	5	2	11	25	11
Misc. rubber manufactures .. .. .	22	17	12	26	11

## NOTES ON PRINCIPAL COMMODITIES

Following are brief notes on the trade in the more important commodities listed in the above table:—

*Motor Cars and Parts.*—Canada's position as a supplier of passenger cars, omnibuses and trucks, chassis, and parts has undergone steady and substantial improvement. During the fiscal year 1936-37 there was a slight falling-off in India's imports of passenger cars, Canada being more seriously affected than the United Kingdom or the United States. In the case of commercial vehicles Canadian trade also showed a marked decline which was in contrast to the general trend. For the first four months of the current fiscal year, however, Canadian sales were again normal, being only slightly below the level established for the same period two years ago.

*Calcium Carbide.*—The trade in this product to the Indian market is shared almost equally by Canada and Japan. The Japanese product is inferior in quality to the Canadian, some 200 tons imported from Canada in 1935-36 having been valued at practically the same figure as 300 tons of Japanese stock. Purchases of this product from Canada have increased more than those from any other country.

*Foodstuffs.*—Canadian exports to India of rolled oats, macaroni, and other farinaceous foods; canned fish (largely salmon and sardines); pickles and sauces; and evaporated milk make up the bulk of the imports of foodstuffs into this territory. Business in these commodities is firmly established and should, under normal conditions, show steady expansion. There is room for improvement also in Canada's sales to India of fresh fruits, canned fruits and vegetables, various meat products, cheese, and many other foodstuffs.

*Lumber.*—In a recent report on Indian lumber market conditions (see *Commercial Intelligence Journal* No. 1749: August 7, 1937) attention was directed to current opportunities for the sale of Canadian lumber in this territory. The substantial improvement over preceding years recorded during 1935-36 may be continued despite a limited demand.

*Paper.*—Although Canada's share of current business in the Indian paper market is small, there has been substantial improvement in sales of newsprint, and it is expected that when statistics for 1936-37 are available a further increase will be recorded.

*Rubber Tires.*—Imports of rubber tires from Canada have decreased during recent years. This is attributable to the tariff advantage enjoyed by United Kingdom products, which are dutiable at 20 per cent ad valorem as against 30 per cent in the case of Canadian products, and to the domestic competition following the establishment of a large factory in India.

*Wood-pulp.*—Practically the whole of the Indian market for wood-pulp is divided between Sweden, Norway and the United States. Domestic competition from bamboo pulp is increasing, but Canadian mills should be able to sell fair quantities to this market when surplus stocks are available for export.

*Zinc and Spelter.*—With the exception of the year 1932-33, Canada has for some time supplied only small quantities of zinc and spelter to the Indian market, the bulk of the imports coming from Australia. Several large shipments have lately been imported from Canada, and figures for 1936-37 will probably show a fair increase in supplies from the Dominion over those for 1935-36.

*Electrical Machinery.*—Imports of electrical machinery from Canada have shown a heavy decline, although decreases have also taken place in exports to the Indian market from the United States and Belgium. Considerable increases are credited, however, to Sweden, Germany, France, Switzerland, and Italy.

*Agricultural Machinery.*—Canadian shipments of agricultural machinery to the Indian market have been both small and spasmodic. India is not a large market for such farm equipment as is manufactured in Canada. There is, nevertheless, a demand for ploughs, harrows, cultivators and various other machines, usually of light construction for use with bullocks, or of a heavy type for use with tractors.

*Raw Asbestos.*—There has been a rapid development in the import trade in raw asbestos during the past four years. In 1932-33 no imports of this material were recorded. During the following year the total trade was valued at Rs.83,314, increasing to Rs.158,644 in 1934-35 and Rs.204,164 in 1935-36; it fell off slightly to Rs.198,169 in 1936-37. During the first four months of the current fiscal year, however, imports have been almost twice as large as they were during the same period a year ago, and the final total for this fiscal year will probably constitute a record.

The bulk of the imports originate in Southern Rhodesia, some supplies having also been received from the United Kingdom (probably Russian or Canadian), Portuguese East Africa, and the United States.



## GENERAL TRADE

The general trend in Canadian shipments to the Indian market has been fairly satisfactory in so far as total values and general composition are concerned. Figures for the four months, April-July, 1937, show imports of Canadian goods valued at Rs.3,836,408 as against Rs.1,775,361 during the same period of 1936. This improvement, combined with a moderate increase in exports from India to Canada, would indicate that a more even balance than has been recorded for some time may be established at the end of the present fiscal year.

The total value of India's exports to the Canadian market not only increased considerably in 1932-33 and 1933-34, falling off slightly during the next two years, but again improved to a total of Rs.21,792,172 during the year ending March 31, 1937. Last year's increase was largely due to a limited expansion in tea shipments and to substantial development in sales of gunny bags and hessian cloth.

*Exports from India to Canada by Principal Commodities*

Commodities	1931-32	1932-33	1933-34	1934-35	1935-36
	Values in Thousands of Rupees				
Total . . . . .	14,760	16,257	18,810	17,186	17,214
Gunny cloth . . . . .	6,479	6,504	8,723	7,039	7,453
Black tea . . . . .	6,740	8,033	7,757	6,525	6,424
Rice, husked . . . . .	479	360	463	483	703
Paraffin wax . . . . .	427	571	887	840	683
Carpets and rugs . . . . .	117	112	288	404	332
Raw cotton . . . . .	4	4	8	44	250
Gunny bags . . . . .	109	305	155	273	210
Groundnuts . . . . .	.....	.....	1	46	160
Shellac . . . . .	6	36	98	131	156
Dried fruits and vegetables . . . .	1	11	7	13	132
Chrome ore . . . . .	.....	.....	.....	.....	120
Raw jute . . . . .	.....	.....	.....	23	107
Raw wool . . . . .	.....	.....	52	71	68
Drugs and medicines . . . . .	20	15	44	57	59
Pepper . . . . .	72	57	78	53	55
Boots and shoes . . . . .	.....	.....	.....	2	49
Wool manufactures . . . . .	7	7	1	5	32
Coir, manufactured . . . . .	23	7	20	23	29
Cotton waste . . . . .	.....	.....	.....	10	17
Mica . . . . .	114	29	35	27	16

Under normal conditions an extension in the variety of India's trade to Canada is to be anticipated. An increase from Rs.5,018,992 to Rs.5,856,121 in the value of local exports to Canada from April to July of 1936 to the same period of the present year might be taken as an indication of the possibility that the figures for the twelve months will be at or above past averages.

## ROYAL NETHERLANDS INDUSTRIES FAIR

J. A. LANGLEY, CANADIAN TRADE COMMISSIONER

Rotterdam, October 1, 1937.—The autumn session of the Royal Netherlands Industries Fair was held at Utrecht this year from September 7 to September 16, inclusive. This is the principal trade exhibition organized in the Netherlands and takes place bi-annually in March and September.

Generally speaking the recent fair was a great success. Exhibits included all kinds of commodities and technical displays, while a large section was devoted to the various branches of domestic agriculture. The total number of participants was 1,207 as compared with 1,146 in the autumn fair of 1936, and the area of rented floor space increased from 155,000 to well over 170,000 square feet. The number of exhibitors from the various participating countries was as fol-

lows: Netherlands (843), Germany (123), Austria (63), United Kingdom (50), Belgium (41), British India (30), United States (23), France (13), Czechoslovakia (8), Denmark (4), Italy (3), Norway (2), Sweden (2), Luxembourg (1), and Switzerland (1). Belgium, British India, Germany, France, and Austria also had official sections.

There was no official participation by the Dominion, but Canadian leather gloves, sporting goods, and garden tools were exhibited by Netherlands agents.

Since the depreciation of the guilder on September 26, 1936, the restrictions on the importation into the Netherlands of certain commodities have been abolished. This resulted in an increased number of foreign exhibitors in several sections, particularly in that devoted to furniture.

The attendance increased by approximately 22 per cent over the figure for the 1936 autumn fair, while the volume of transactions concluded—especially as regards orders for the home market—also rose. Considerable business was done by the consumptive branches of industry, indicating general improvement in purchasing power.

### WHEAT POLICY OF EGYPT

C. S. BURRILL, OFFICE OF THE CANADIAN TRADE COMMISSIONER

Cairo, October 1, 1937.—In view of the present difficulty in which the Egyptian wheat market finds itself as a result of the unusually large crop and the consequent fall in prices, the Government has decided to take steps to ease the situation by making a purchase of wheat. In the course of a note on this subject to the Council of Ministers, the Minister of Finance has pointed out that his Ministry, with the view of finding an effective method of disposing of the surplus stocks of wheat, has arranged with the Agricultural Credit Bank that the latter shall purchase up to 300,000 ardebs (45,000 tons) of its debtors' wheat on the guarantee of the Government.

At the same time it will be agreed with the debtors that all their rights shall be reserved as though their wheat still continued lying in the Agricultural Credit Bank's depots, and they will also have the right to demand the liquidation of their accounts up to January 31, 1938—i.e. the date fixed for the liquidation of loan operations in connection with the wheat under Government guarantee. Further, they will have the right of selecting the day on which the price of their wheat shall be fixed. On the basis of this price accounts will be made up in connection with their loans. If any balance remains over in their favour after deduction of the amount of the loan, plus expenses and interest, this will be paid to them.

At the same time the bank will notify exporters that it is prepared to offer them wheat at a price which will enable them to export to foreign markets with the proviso, however, that sale to exporters shall be made to those who make the best offers within the limits of the prices at which it is possible to export.

With regard to the difference between the price at which transactions will be done with the borrowers and the sale price to exporters, this will be considered in the light of an indirect export subsidy, and when the transaction has been concluded the account will be closed by resort to the special credit to be granted for the purpose.



**TRADE COMMISSIONERS ON TOUR**

Mr. B. C. Butler, Canadian Trade Commissioner in Singapore, Straits Settlements (whose territory covers the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India), and Mr. J. H. English, Canadian Trade Commissioner in London, England, are at present on tour in the interests of Canadian trade with their respective territories. Their itineraries are as follows:—

**Mr. Butler**

Kingston . . . . .	Nov. 1
Belleville . . . . .	Nov. 2
Peterboro, Oshawa and Whitby . . . . .	Nov. 3 and 4
Newmarket, Orillia, and Gravenhurst . . . . .	Nov. 5 and 6
Owen Sound and Goderich . . . . .	Nov. 8 and 9
Windsor . . . . .	Nov. 10 to 12
Tecumseh, Essex and Chatham . . . . .	Nov. 13

London . . . . .	Nov. 15 to 18
Brantford and Galt . . . . .	Nov. 19 and 20
Kitchener . . . . .	Nov. 22 and 23
Guelph . . . . .	Nov. 24
Hamilton . . . . .	Nov. 25 to 27
St. Catharines and Niagara Falls . . . . .	Nov. 29 and 30
Oakville, New Toronto and Weston . . . . .	Dec. 1 and 2
Toronto . . . . .	Dec. 3 to 18

**Mr. English**

Toronto and district . . . . .	Nov. 1 to 6
Niagara Falls . . . . .	Nov. 8
Hamilton and district . . . . .	Nov. 9 and 10
Guelph . . . . .	Nov. 12
Kitchener . . . . .	Nov. 15 and 16
Windsor . . . . .	Nov. 17
London . . . . .	Nov. 18 and 19

Quebec . . . . .	Nov. 22
Charlottetown . . . . .	Nov. 25
Halifax . . . . .	Nov. 27 and 29
Annapolis Valley . . . . .	Nov. 30 and Dec. 1
St. John . . . . .	Dec. 2
Sherbrooke . . . . .	Dec. 3

Firms who wish to be brought in touch with the Trade Commissioners should communicate, for Toronto, with the office of the Canadian Manufacturers Association, and for the other centres with the respective Board of Trade or Chamber of Commerce.

**EXPORTS TO THE UNITED STATES OF PRODUCTS UNDER THE QUOTA PROVISIONS OF THE TRADE AGREEMENT**

The following table prepared by the Canadian Trade Commissioner's office at New York from preliminary figures issued by the Treasury Department at Washington shows the standing of the quotas provided for under the Canada-United States Trade Agreement up to October 2, 1937:—

	Total of Quota	Reduction in Duty	Amount of Quota used by Canada	Percentage of Quota used by Canada to Oct. 2, 1937
Cattle (700 lbs. or more) . . . .	155,799 head	3 to 2 cts. per pound	Quota filled August	84.5
Calves (less than 175 lbs.) . . . .	51,933 head	2½ to 1½ cts. per pound	Quota filled June	99.0
Dairy cows . . . . .	20,000 head	3 to 1½ cts. per pound	4,774	23.9
Cream . . . . .	1,500,000 gals.	56¼ to 35 cts. per gallon	104,983	7.0
Seed potatoes . . . . .	750,000 bush.	75 to 60 cts. per 100 lbs. Dec. 1 to end of February 45 cts. Mar. 1 to Nov. 30	640,975	85.5
Unmanufactured lumber (Douglas fir and Western hemlock) . . . . .	250,000 M ft. b.m.	\$1 to 50 cts. per M ft. b.m. duty; \$3 to 1.50 tax Free	103,619 M ft. b.m.	41.4
Red cedar shingles . . . . .	892,373 squares		625,229 squares	70.1

Except for the first two items, Canada provided all of the quotas used. As will be observed, Canada was not responsible alone for filling the cattle and

calf quotas, but Mexico took up a small portion. The seed potato quota begins on the 1st of December of each year, all others starting with the calendar year and being effective for a twelve-month period, with the exception of red cedar shingles, which is fixed for six months, and varies to equal 25 per cent of the combined imports and domestic shipments for preceding six months. Thus the current red shingle quota is for the period July-December, 1937, inclusive.

Unlike all the other quotas, the red cedar quota definitely limits imports to the figure established, whereas the others limit imports only at the reduced duty to the amounts specified; once the quotas are exhausted imports may freely enter but at the higher and former rate of duty.

## POTATO MARKET IN CUBA

C. S. BISSETT, CANADIAN TRADE COMMISSIONER

Havana, October 15, 1937.—In the report on the above subject, published in *Commercial Intelligence Journal* No. 1757 (October 2, 1937), the following information should be substituted for that given under "Current Prices," page 589:—

Present prices for certified Red Bliss Triumph seed potatoes vary from \$3.50 to \$3.75 c.i.f. Havana, per barrel of 165 pounds. Quotations for white type potatoes vary from \$3 to \$3.25 per 150-pound bag on the same basis.

Table potatoes from the United States (Irish Cobblers) are quoted at from \$1.27 to \$1.30 for No. 1 grade, and at from \$0.88 to \$0.90 for No. 2 grade, per 100-pound bag, c.i.f. Havana. Current imports of these average 100,000 bags monthly. The present Havana wholesale prices of these table potatoes are \$2.50 for No. 1 and \$2.15 for No. 2 grades.

Of the last Cuban crop, only some 40,000 bags of 100 pounds each remain for disposal. These domestic potatoes are in poor condition and are selling at the low prices, on a Havana wholesale basis, of \$1.75 to \$1.90 per 100-pound bag.

## ARGENTINE WHEAT ACREAGE, 1937

The Canadian Trade Commissioner at Buenos Aires writes that the Argentine Department of Agriculture issued under date September 17 the first official estimate of the acreage seeded this year to wheat and other cereals. The area in wheat is estimated at 17,586,400 acres—91,390 acres more than in 1936 but 1,655,369 acres below the last ten-year average and 401,276 acres under the last five-year average.

The area in flax is 6,298,500 acres, or 1,136,200 acres lower than in 1936 and 971,960 acres below the last five-year average. The acreages in other cereals, with the 1936 acreage in parentheses, are as follows: oats, 3,112,200 (2,964,000); barley, 1,914,250 (1,976,000); and rye, 2,099,500 (1,729,000). The area in birdseed this year is 98,800 acres.

## DOCUMENTATION REQUIREMENTS FOR GUATEMALA

Mr. R. T. Young, Canadian Trade Commissioner at Mexico City, writes emphasizing the importance of Canadian exporters complying strictly with the regulations of Guatemala as regards certificates of origin, commercial invoices, and bills of lading. Fines varying in amounts are imposed in cases of failure to observe the regulations. A memorandum explanatory of the Guatemalan regulations has been prepared by Mr. S. G. MacDonald, Assistant Trade Commissioner, giving details of these regulations, and is available to interested Canadian firms on application to the Department of Trade and Commerce, Ottawa.



## TRADE OF BRAZIL IN 1936

A. DOS REIS CARNEIRO, OFFICE OF THE CANADIAN TRADE COMMISSIONER

(All tons in this report are metric tons. The average value of one conto—1,000,000 reis—in 1936 was \$58 for Brazilian imports and \$65.30 for Brazilian exports, as export values are calculated on the basis of 65 per cent free exchange and 35 per cent official exchange. The conversion rate for 1935 was \$57.60 to the conto.)

### I

#### INTERNATIONAL TRADE

Rio de Janeiro, October 1, 1937.—Foreign trade returns of Brazil showed a marked improvement for the year 1936, volume and value of both exports and imports having been higher than in any of the preceding five years.

#### TONNAGES

The total volume of Brazil's external trade in 1936 amounted to 7,576,357 tons as against 6,990,822 tons in 1935, an increase of 8 per cent. Imports were 4,467,630 tons as against 4,229,305 tons in 1935, an increase of nearly 6 per cent; while exports increased to 3,108,727 tons as against 2,761,517 tons in 1935, or by more than 12 per cent.

The following table shows the steady increase in volume of both Brazilian imports and exports since the year 1932:—

Years	Imports Tons	Exports Tons
1932 .....	3,254,398	1,632,265
1933 .....	3,837,526	1,910,772
1934 .....	3,845,718	2,184,782
1935 .....	4,229,305	2,761,517
1936 .....	4,467,630	3,108,727

#### AVERAGE PRICES PER TON

The average price per ton yielded by Brazilian exports increased from \$98 in 1935 to \$103 in 1936, due principally to the increase in the price of coffee and other vegetable products.

In milreis, with the exception of 1934, when the average price obtained was 1,583 milreis per ton, the average for 1936 was the best since 1932, as shown in the following table:—

Years	Average Price per Ton	
	In Milreis	In Dollars
1932 .....	1,454	109
1933 .....	1,476	117
1934 .....	1,583	131
1935 .....	1,486	98
1936 .....	1,575	103

The average price per ton in dollars for Brazilian imports also showed a slight increase in 1936 as against 1935, from \$52 to \$54.

#### CURRENCY VALUES OF INTERNATIONAL TRADE

Brazil's total international trade in 1936 was valued at 9,164,102 contos, equivalent to \$566,760,887, as against 7,959,925 contos, equivalent to \$404,170,272, in 1935. Export values in milreis, which had already shown an increase of 18 per cent in 1935 over 1934, continued to increase in 1936, and amounted to 4,895,435 contos as against 4,104,008 contos in 1935, an increase of 19 per cent. The dollar value, which decreased in 1935 when compared with 1934, increased from \$269,374,615 in 1935 to \$320,043,320 in 1936. In pounds gold

the total export values also increased from £33,011,848 in 1935 to £39,069,043 in 1936, an advance of 18 per cent. The results were therefore very favourable when compared with those of 1935. Taking for the purpose of comparison the year 1930, the volume and milreis value obtained in 1936 were 37 per cent and 68 per cent respectively better than those of 1930, while the gold value has decreased by 41 per cent.

Import values in milreis showed an increase from 3,855,017 contos in 1935 to 4,268,667 contos in 1936, or 82 per cent. The dollar value also increased from \$224,795,657 to \$246,717,567, and in pounds gold there was an increase from £27,431,114 to £30,065,520, or of nearly 10 per cent.

#### BALANCE OF TRADE

The balance of trade increased considerably from 248,091 contos, \$44,578,-958, £9,049,193 sterling and £5,580,734 gold in 1935 to 626,768 contos, \$73,325,753, £14,811,589 sterling and £9,003,523 gold respectively in 1936. In pounds gold the favourable balance of 1936 was 61 per cent higher than that of 1935, while the increase in milreis amounted to 152 per cent.

The following table shows that Brazil's balance of trade since 1931 has been increasing in milreis (except 1935) and that gold values, with the exception of 1931 and 1932, have also been increasing:—

Years	Balance in Contos	Inc. or Dec. Per Cent	Balance in £ Gold	Inc. or Dec. Per Cent
1930 . . . . .	563,649	....	12,127,414	....
1931 . . . . .	1,517,230	+ 169	20,788,172	+ 71
1932 . . . . .	1,018,071	+ 81	14,885,297	+ 22
1933 . . . . .	635,017	+ 16	7,658,169	- 37
1934 . . . . .	956,221	+ 69	9,772,305	- 20
1935 . . . . .	248,091	- 56	5,580,734	- 54
1936 . . . . .	626,768	+ 11	9,003,523	- 26

The difference between the average price per ton imported and exported is responsible for the unfavourable balance of trade for the years since 1933 when compared with the year 1930. Considering 1930 as 100, the cost of imports in milreis increased from 87 in 1932 to 178 in 1936, while the value of exports decreased from 106 in 1932 to 103 in 1936. In pounds gold results are the same, as the average price decreased from 100 in 1931 to 37 in 1936.

#### EXPORTS

All three classes of Brazilian exports show considerable increases in 1936 in tonnage, milreis and gold values when compared with 1935 and, with the exception of those of the second class—mineral products—reached the highest figure for the past five years. Exports of the first class, animal products, amounted to 194,643 tons at a value of 468,323 contos, equivalent to \$30,581,491 or £3,718,000 gold, as against 192,780 tons valued at 379,208 contos, equivalent to \$24,762,282 or £3,063,000 gold, in 1935.

Of the second class, mineral products, Brazil in 1936 exported 301,251 tons valued at 31,957 contos, equivalent to \$2,086,792 or £256,000 gold, while in 1935 a total of 114,856 tons worth 13,857 contos, equivalent to \$904,862 or £110,000 gold, were exported. This class showed the largest increase in tonnage and value in 1936.

The third class, vegetable products, which is the most important of Brazil's exports, amounted to 2,612,883 tons valued at 4,395,155 contos, equivalent to \$297,003,621 or £35,095,000 gold, while exports of this class in 1935 were 2,453,881 tons at a value of 3,710,943 contos, equivalent to \$242,324,579 or £29,839,000 gold.

Coffee is still Brazil's leading export product, barely maintaining, however, in value the level of previous years, while volume has been even less than in



1935. Some years ago this product accounted for more than 70 per cent of the value of Brazil's exports; during 1936 the percentage was 45. In 1936 exports of coffee amounted to 14,185,506 bags valued at 2,231,473 contos, equivalent to \$145,715,786 or £17,785,000 gold, as against 15,328,791 bags at a value of 2,156,599 contos, representing \$124,900,000 or £17,373,000 gold in 1935.

Cotton followed coffee with a total of 200,313 tons (the highest figure recorded for this product) valued at 930,281 contos, equivalent to \$60,747,349 or £7,455,000 gold. In 1935 exports of cotton amounted to 138,630 tons valued at 647,993 contos, equivalent to \$42,313,942 or £5,223,000 gold. Next to cotton came cocoa, preserved meats, carnauba wax, oranges, and raw rubber.

## CHILEAN FOREIGN TRADE, JANUARY-JUNE, 1937

M. J. VECHSLER, CANADIAN TRADE COMMISSIONER

(Returns are given in pesos of 6d. gold)

Lima, September 21, 1937.—Returns recently released in Chile indicated a considerable increase in Chilean foreign trade for the first six months of 1937 as compared with the similar period of 1936. Total trade amounted to S/759,000,000 of 6d. gold in comparison with S/467,700,000 in 1936 and S/394,000,000 in 1935. Exports during this period reached the sum of S/567,800,000 as compared with S/297,000,000 in 1936. Imports, on the other hand, rose to S/191,200,000 during this period as compared with S/170,700,000 in 1936. The favourable balance of trade increased threefold, reaching S/376,600,000 in comparison with S/123,600,000 for the corresponding period of 1936.

Although the returns for the first six months of 1937 showed an increase of 132 per cent in value over those for the corresponding period of 1936 in total trade, this amount represents only 43 per cent of that corresponding to the same period of 1929. Exports represent only 50 per cent of those in 1929, despite the fact that an increase of S/315,800,000 or 125 per cent in value was recorded over 1934. Imports, despite the increase indicated above, are still only 29.4 per cent of those effected during the first half of 1929 and indicate a rise of only 12 per cent over those of 1936.

### EXPORTS

An analysis of the returns for this period shows that the increase in exports principally took place in the following lines: Exports of mining products rose from S/205,200,000 in 1936 to S/434,300,000 in 1937. Natural products of the animal kingdom showed the next greatest rise, there being an increase from S/33,500,000 to S/59,500,000. Specie and precious metals exports increased from S/4,300,000 to S/10,900,000. Exports of agricultural produce rose from S/42,500,000 to S/45,400,000, while exports of the food industries increased from S/6,800,000 to S/10,800,000.

Further examination reveals that the export of electrolytic and bar copper contributed chiefly to the increased export of mining products. Exports of these commodities rose from S/89,000,000 during the first six months of 1936 to S/286,000,000 during the first six months of the present year. Exports of fertilizers and iodine have also increased by S/28,000,000 and those of sulphur by S/1,000,000.

The increased value of exports of natural products of the animal kingdom were largely contributed to by larger shipments of wool, exports of which rose from S/22,000,000 in the first half of 1936 to S/41,400,000 in the first half of the present year. Exports of sheep-skins as well as other minor items were also contributing factors.

In the case of agricultural products, considerable alterations have taken place in their export during the past six months in comparison with those of last year. Oats and barley were exported to the value of S/5,200,000 respectively, whereas exports of these products during the corresponding period of 1936 only amounted to S/1,900,000 and S/2,100,000. An increase also occurred in the exports of beans, which rose from S/3,400,000 to S/7,500,000; but, on the other hand, exports of lentils decreased from S/14,000,000 to S/10,000,000. Exports of wheat, which during the first six months of 1936 amounted to S/6,300,000, entirely disappeared in 1937. The exportation of frozen meat was almost double, rising from S/3,500,000 to S/6,700,000.

### IMPORTS

The first contributing elements to the rise in imports were those which entered into the mining industry or, as they are termed, "mining products," which rose from S/8,200,000 in 1936 to S/16,800,000 in 1937; and this rise was principally due to the duplication in value of imports of petroleum, which rose from S/6,700,000 to S/12,600,000. On the other hand, a large decrease is noted in the value of the imports termed "material and equipment for transportation," which was almost entirely produced through the non-repetition of an order amounting to S/9,300,000 that was placed last year for locomotives, passenger coaches, rails, and other railway material. The value of automobile imports during the first half of the present year was S/4,400,000 in comparison with S/6,700,000 during the first half of 1936.

There follows below a table indicating the countries of origin, import values in millions of pesos of 6d. gold for the first six months of 1937, together with a comparison for the similar period of 1936. Returns for Canada are not separately shown, being indicated as among those from "other countries."

#### *Imports into Chile for the Period January to June, 1937 and 1936*

	1936	1937
	1,000,000 Pesos	1,000,000 Pesos
Germany.....	48.5	49.3
Argentina.....	5.9	11.8
Belgium.....	4.3	3.8
Brazil.....	2.6	1.9
United States.....	43.3	53.8
France.....	2.8	3.4
Great Britain.....	23.8	21.1
Italy.....	2.7	2.8
Japan.....	4.0	3.5
Peru.....	10.9	13.5
Sweden.....	2.0	2.3
Venezuela.....	2.7	3.0

### TENDERS INVITED

#### **New Zealand**

Copies of specifications have been received from Mr. W. F. Bull, Canadian Trade Commissioner at Auckland, for equipment required by the Post and Telegraph Department and the Public Works Department, Wellington. These specifications are open for inspection at the Department of Trade and Commerce, Ottawa. Tenders should be addressed to the Secretary, Public Works Supplies and Tenders Committee, Wellington; and the Director-General (Stores Division), General Post Office, Wellington, in accordance with these specifications.

Particulars are as follows:—

*Post and Telegraph Department.*—8,000 jacks, 4-point, No. 8, to British Post Office specification No. D.195 (tenders close December 9, 1937).

*Public Works Department.*—Section 582, Arapuni Scheme: two 50/11 K.V. transformer banks, 3,000 K.V.A.; Section 577, Arapuni Scheme: two 50/11 K.V. transformer banks, 3,000 K.V.A. (tenders close February 1, 1938).



## FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING OCT. 25, 1937

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, October 25, and for the week ending Monday, October 18, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Oct. 18	Nominal Quotations in Montreal Week ending Oct. 25	Official Bank Rate
Austria . . . . .	Schilling	.1407	\$ .1883	\$ .1883	3½
Belgium . . . . .	Belga	.1001	.1684	.1687	2
Bulgaria . . . . .	Lev	.0072	.0129	.0129	6
Czechoslovakia . . . . .	Krone	.0296	.0350	.0350	3
Denmark . . . . .	Krone	.2680	.2212	.2210	4
Finland . . . . .	Markka	.0252	.0219	.0220	4
France . . . . .	Franc	.0392	.0337	.0336	3½
Germany . . . . .	Reichsmark	.2382	.4013	.4016	4
Great Britain . . . . .	Pound	4.8666	4.9550	4.9512	2
Greece . . . . .	Drachma	.0130	.0091	.0091	6
Holland . . . . .	Guilder	.4020	.5526	.5529	2
Hungary . . . . .	Pengo	.1749	.2953	.2955	4
		Unofficial	.1973	.1974	—
Italy . . . . .	Lira	.0526	.0526	.0526	4½
Jugo-Slavia . . . . .	Dinar	.0176	.0231	.0230	5
Norway . . . . .	Krone	.2680	.2489	.2487	4
Poland . . . . .	Zloty	.1122	.1887	.1888	5
Portugal . . . . .	Escudo	.0442	.0449	.0448	4½
Roumania . . . . .	Leu	.0060	.0073	.0073	4½
Spain . . . . .	Peseta	.1930	.0628	.0618	5
Sweden . . . . .	Krona	.2680	.2554	.2552	2½
Switzerland . . . . .	Franc	.1930	.2300	.2305	1½
United States . . . . .	Dollar	1.0000	.9993	.9998	1
Mexico . . . . .	Peso	.4985	.2773	.2775	4-5
Cuba . . . . .	Peso	1.0000	.9985	.9992	—
Guadeloupe . . . . .	Franc	.0392	.0337	.0336	—
Jamaica . . . . .	Pound	4.8666	4.9650	4.9612	—
Martinique . . . . .	Franc	.0392	.0337	.0336	—
Other British West Indies	Dollar	1.0138	1.0323	1.0315	—
Argentina . . . . .	Peso (Paper)	.4245	.3303	.3301	3½
		Unofficial	.2988	.2965	—
*Brazil . . . . .	Milreis	.1196	.0566	.0559	—
British Guiana . . . . .	Dollar	1.0138	1.0323	1.0315	—
Chile . . . . .	Peso	.1217	.0517	.0517	4½
Colombia . . . . .	Peso	.9733	.5696	.5699	4
Peru . . . . .	Sol	.2800	.2598	.2600	6
Venezuela . . . . .	Bolivar	.1930	.3135	.3137	—
Uruguay . . . . .	Peso	1.0342	.7910	.7916	—
South Africa . . . . .	Pound	4.8666	4.94½	4.9451	3½
Egypt . . . . .	Pound (100 Piastres)	4.9431	5.0700	5.0600	—
China (Shanghai) . . . . .	Dollar	.....	.2941	.2941	—
Hongkong . . . . .	Dollar	.....	.3098	.3095	—
India . . . . .	Ruppee	.3650	.3741	.3738	3
Japan . . . . .	Yen	.4985	.2884	.2882	2.92
Java . . . . .	Guilder	.4020	.5526	.5528	—
Siam . . . . .	Baht (Tical)	.4424	.4542	.4538	—
Straits Settlements . . . . .	Dollar	.5678	.5809	.5806	—
Australia . . . . .	Pound	4.8666	3.9637	3.9610	3
New Zealand . . . . .	Pound	4.8666	3.9950	3.9929	2

\* Unofficial.

The Dominion Bureau of Statistics has supplied the following note:—

Mild declines in sterling and a slightly firmer tendency in French francs in the third week of October attracted some attention. Fluctuations in Montreal foreign exchange rates, however, were generally narrow and without feature. Strength in the franc was related in financial circles to the results of French cantonal elections which were favourable to the Government. Swiss francs and the Netherlands florin were also firm. Discounts on New York funds at Montreal recently have been reduced to negligible proportions.

## TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

### Secretary, Board of Trade—

Saint John, N.B.	Chatham, Ont.	Portage la Prairie, Man.
Halifax, N.S.	Kitchener, Ont.	St. Boniface, Man.
Quebec, P.Q.	Stratford, Ont.	Winnipeg, Man.
Montreal, P.Q.	Woodstock, Ont.	Vancouver, B.C.
Toronto, Ont.	St. Mary's, Ont.	New Westminster, B.C.

### Secretary, Chamber of Commerce—

Sherbrooke, P.Q.	Belleville, Ont.	Hamilton, Ont.
Kingston, Ont.	Peterborough, Ont.	Victoria, B.C.
Oshawa, Ont.	London, Ont.	Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

### Secretary, Canadian Manufacturers Association—

Toronto, Ont.	Winnipeg, Man.	Vancouver, B.C.
Montreal, P.Q.	Edmonton, Alta.	Victoria, B.C.

The Maritime Provinces Trade Commissioner, 122 Federal Building, Toronto, Ont.

The Bureau of Provincial Information, Victoria, B.C.

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Foodstuffs—</b>			
Cheese (Daisy-size Cheddar).....	726	Port-of-Spain, Trinidad....	Agency.
Pickled Pork, Beef, etc., in Barrels.	727	Port-of-Spain, Trinidad...	Agency.
<b>Miscellaneous—</b>			
Hosiery.....	728	Port-of-Spain, Trinidad....	Agency.
Leather, Box Calf and Side.....	729	Bristol, England.....	Agency.
Celluloid in Sheets.....	730	Bristol, England.....	Purchase and Agency.
Container Board and Boxboard..	731	Brussels, Belgium.....	Purchase and Agency.
Veneers, Birch and Basswood for Wirebound Boxes.	732	Johannesburg, South Africa	Purchase.
Bolts and Nuts.....	733	Bristol, England.....	Purchase.
Tools, Engineers', etc.....	734	Bristol, England.....	Agency.
Zinc Dust.....	735	Liverpool, England.....	Purchase and Agency.

## PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

### From Montreal

*To Liverpool.*—Duchess of Richmond, Nov. 5; Duchess of Bedford, Nov. 12; Duchess of Atholl, Nov. 19; Duchess of York, Nov. 24; Montrose, Nov. 25—all Canadian Pacific; Antonia, Cunard-White Star Line, Nov. 19.

*To London.*—Beaverbrae, Nov. 5; Beaverburn, Nov. 12; Beaverhill, Nov. 19; Beaverford, Nov. 25—all Canadian Pacific; Andania, Nov. 5; Ausonia, Nov. 12; Ascania, Nov. 19; Aurania, Nov. 25—all Cunard-White Star Line; Makefjell, Nov. 5; Rutenfjell, Nov. 15; Taborfjell, Nov. 26—all Fjell Line.

*To Manchester.*—Manchester Citizen, Nov. 4; Manchester Regiment, Nov. 11; Manchester Commerce, Nov. 18; Manchester Port, Nov. 25; Manchester Brigade, Nov. 27—all Manchester Line.

*To Southampton.*—Duchess of Richmond, Canadian Pacific, Nov. 25.



*To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—New York City, Nov. 12; Bristol City, Nov. 27—both Bristol City and Dominion Lines; Dorelian, Nov. 4; Dakotian, Nov. 20—both Cunard-Donaldson and Dominion Lines.

*To Glasgow.*—Sulairia, Nov. 5; Athenia, Nov. 12; Delilian, Nov. 19; Letitia, Nov. 25—all Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Cairnmona, Nov. 3; Cairnross (also calls at Dundee), Nov. 10; Cairnvalona, Nov. 17; Cairnesk, Nov. 24; Cairnglen, Nov. 29—all Cairn-Thomson Line.

*To Aberdeen and Hull.*—Kelso, Nov. 1; Kyno, Nov. 3; Consuelo, Nov. 24—all Ellerman's Wilson Line.

*To Dublin and Belfast.*—Kenbane Head, Nov. 8; Melmore Head, Nov. 20; Dunaff Head (does not call at Dublin or Cork), Nov. 24—all Head Line (also call at Cork).

*To Antwerp and Havre.*—Beaverbrae, Nov. 5; Beaverburn, Nov. 12; Beaverford, Nov. 26—all Canadian Pacific (do not call at Havre); Makefjell, Nov. 5; Rutenfjell, Nov. 15; Taborfjell, Nov. 26—all Fjell Line (do not call at Havre); Flint II, Nov. 14; Grey County, Nov. 27—both County Line.

*To Rotterdam.*—Hada County, Nov. 7; August, Nov. 26—both County Line; Makefjell, Nov. 5; Rutenfjell, Nov. 15; Taborfjell, Nov. 26—all Fjell Line.

*To Hamburg and Bremen.*—Beaverhill (does not call at Bremen), Canadian Pacific, Nov. 19; Bochum, Hamburg-American Line, Nov. 12.

*To Copenhagen, Gothenburg, Stockholm and Helsingfors.*—Vasaholm, Swedish-America-Mexico Line, Nov. 3.

*To Marseilles, Genoa, Naples, Messina, Palermo, Lisbon and Leghorn.*—Capo Noli, Capo Line, Nov. 20.

*To St. John's, Nfld.*—Belle Isle (also calls at St. Pierre-Miquelon), Newfoundland-Canada SS. Co., Nov. 5 and 19; Eikhaug (calls at Bay Roberts, Carbonear, Harbor-Grace and Port Union), Nov. 1; Imogene, Nov. 4 and 24—both Shaw SS. Co. Ltd.

*To Corner Brook, Nfld.*—New Northland, Clarke SS. Co., Nov. 10.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Colborne, Nov. 11; Chomedy, Nov. 25—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Hamilton (Bermuda), Nassau (Bahamas), Kingston (Jamaica) and Belize (British Honduras).*—Cavelier (does not call at Hamilton or Nassau), Nov. 5; Lady Somers, Nov. 10; Cathcart (does not call at Hamilton or Nassau), Nov. 19; Lady Rodney, Nov. 24—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad, Demerara and Paramaribo.*—A steamer, Ocean Dominion SS. Corp., Nov. 8 and 24 (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Brisbane, Sydney and Melbourne.*—Surrey, Montreal-Australia-New Zealand Line, Nov. 23.

*To Auckland, Wellington, Lyttelton and Dunedin.*—Ardenvohr, Montreal-Australia-New Zealand Line, Nov. 18.

*To Sierra Leone, Walvis Bay, Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques and Beira.*—Calumet (does not call at Walvis Bay, Lourenco Marques or Beira), Nov. 12; Calgary, Nov. 25—both Elder Dempster Lines Ltd.; Heimvard (does not call at Sierra Leone, Walvis Bay, Port Elizabeth, Lourenco Marques or Beira, but calls at Algoa Bay), Cosmopolitan Navigation Co., Nov. 15.

*To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Singapore, Madras, Rangoon and Calcutta.*—City of Worcester, Canada-India Service, Nov. 18.

### From Quebec

*To Southampton.*—Empress of Britain, Canadian Pacific, Nov. 6.

### From Saint John

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Nelson, Nov. 10; Lady Hawkins, Nov. 24; Lady Drake, Dec. 8—all Canadian National.

*To Kingston and Jamaican Outports.*—Suriname, Nov. 6; Coppername, Nov. 20—both United Fruit Co. (cargo accepted for transshipment to Central and South American ports).

### From Halifax

*To Liverpool.*—Manchester Exporter, Nov. 1; Manchester Division, Nov. 22; Manchester Producer, Dec. 2—all Manchester Line; Newfoundland, Nov. 13; Nova Scotia, Nov. 27—both Furness Line.

*To London.*—Boschdyk, Nov. 1; Beemsterdyk, Nov. 19; Spaarndam, Nov. 30—all Holland-America Line; Artigas, Nov. 10; Capulin, Nov. 24; City of Flint, Dec. 8—all American Hampton Roads.

*To Manchester.*—Manchester Citizen, Nov. 7; Manchester Regiment, Nov. 14; Manchester Commerce, Nov. 21; Manchester Port, Nov. 28; Manchester Brigade, Dec. 4—all Manchester Line.

*To Newcastle and Leith.*—Cairnmona, Nov. 6; Cairnross, Nov. 13; Cairnvalona, Nov. 20; Cairnesk, Nov. 27; Cairnglen, Dec. 4—all Cairn-Thomson Line; Artigas, Nov. 10;

Capulin, Nov. 24; City of Flint, Dec. 8—all American Hampton Roads (call at Dundee and Hull but not at Newcastle); Guido, Nov. 17; Gitano, Dec. 1; Kyno, Dec. 24—all Ellerman's Wilson Line (call at Aberdeen but not at Leith).

*To Cardiff, Bristol and Swansea.*—New York City, Nov. 15; Bristol City, Dec. 1; Boston City, Dec. 15—all Bristol City and Dominion Lines.

*To Rotterdam.*—Boschdyk, Nov. 1; Beemsterdyk, Nov. 19; Spaarndam, Nov. 30—all Holland-America Line.

*To Hamburg and Bremen.*—Artigas, Nov. 10; Capulin, Nov. 24; City of Flint, Dec. 8—all American Hampton Roads.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Fort Amherst, Nov. 1 and 15; Fort Townshend, Nov. 8 and 22—both Furness-Red Cross Line; Kongshaug, Newfoundland-Canada SS. Ltd., Nov. 1 and 15; Newfoundland, Nov. 13; Nova Scotia, Nov. 27—both Furness Line (do not call at St. Pierre); Portia (does not call at St. Pierre), Newfoundland Ry. and SS. Co., Nov. 3 and 17.

*To Kingston (Jamaica) and Belize (British Honduras).*—Cavelier, Nov. 8; Cathcart, Nov. 19—both Canadian National.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Drake, Nov. 4; Lady Nelson, Nov. 18; Lady Hawkins, Dec. 2—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer, Ocean Dominion SS. Corp., Nov. 13 and 29.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Cornwallis, Nov. 1; Colborne, Nov. 15; Chomedy, Nov. 29—all Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Bermuda, West Indies, and Demerara.*—A steamer, Nov. 12 and Dec. 9; Heroy, Nov. 25—all Pickford & Black Ltd.

*To Santiago (Cuba) and Kingston (Jamaica).*—Kirsten B, Nov. 3; Ciss, Nov. 17—both Pickford & Black Ltd.

*To Brisbane, Sydney, Melbourne and Adelaide.*—Port Halifax, Montreal-Australia-New Zealand Line, Dec. 21.

*To Auckland, Wellington, Lyttelton and Dunedin.*—Kaikoura (also calls at Timaru and Bluff), Montreal-Australia-New Zealand Line, Dec. 11.

*To Yokohama, Kobe, Shanghai, Hongkong, Manila, Cebu and Java.*—Cingalese Prince, Nov. 22; Chinese Prince, Dec. 20—both Furness-Prince Line; Silverteak, Nov. 7; Silver-sandal, Dec. 5—both Silver Line.

### From Vancouver

*To Yokohama, Kobe and Osaka.*—Hikawa Maru, Nov. 18; Hiye Maru, Dec. 2; Heian Maru, Dec. 25—all Nippon Yusen Kaisha.

*To Yokohama, Kobe, Shanghai, Hongkong and Manila.*—Empress of Asia (calls Nagasaki), Nov. 13; Empress of Canada (calls Honolulu), Nov. 27; Empress of Russia (calls Nagasaki), Dec. 11; Empress of Japan (calls Honolulu), Dec. 25—all Canadian Pacific; Ixion, Nov. 2; Talthybius, Dec. 4—both Blue Funnel Line (call at Miike but not at Manila).

*To Manila, Iloilo, Cebu, Macassar, Soerabaya, Samarang, Batavia, Singapore, Port Swettenham, Belawan Deli, Colombo, Bombay and Persian Gulf Ports.*—Hoegh Silverlight, Nov. 1; Hoegh Transporter, Dec. 2—both Silver-Java Pacific Line.

*To Honolulu, Suva, Auckland and Sydney.*—Niagara, Nov. 24; Aorangi, Dec. 22—both Canadian-Australasian Line.

*To Papeete, Auckland, Wellington, Lyttelton, Dunedin, Melbourne and Sydney.*—Wairuna (calls at Napier), Nov. 25; Limerick, Dec. 25—both Canadian-Australasian Line.

*To Brisbane, Sydney, Melbourne and Adelaide.*—Koyei Maru, Empire Shipping Co., Nov. 25.

*To London, Liverpool and Rotterdam.*—Damsterdyk (calls at Glasgow), Nov. 13; Nebraska, Nov. 27; Delftdyk (calls at Glasgow), Dec. 11—all North Pacific Coast Line.

*To Antwerp, Hamburg and Bremen.*—Tacoma, Nov. 10; Portland, Nov. 21; Vancouver, Jan. 1—all Hamburg-American Line; Este, Nov. 3; Schwaben, Nov. 29—both North German Lloyd Line.

*To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.*—Washington, Nov. 10; San Francisco, Nov. 21—both Empire Shipping Co.

*To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.*—Fella, Nov. 2; Indien, Nov. 24—both Empire Shipping Co.

*To Port of Spain (Trinidad) and Bridgetown (Barbados).*—A steamer, Canadian Transport Co., November.

*To Kingston (Jamaica), Trinidad and Demerara.*—A steamer, Canadian Transport Co., December.

*To Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques, Beira, Colombo, Calcutta and Madras.*—Siantar, Nov. 5; Silverpalm, Dec. 4—both Silver-Java Pacific Line.

*To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.*—Hoyanger, Empire Shipping Co., Nov. 25.



# COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

## CANADIAN GOVERNMENT TRADE COMMISSIONERS

### Argentina

J. A. STRONG, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

### Australia

*Sydney*: L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh Streets. (Territory covers Federal District of Canberra, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

*Commercial Agent*: B. MILLIN, The Royal Exchange, Sydney, N.S.W.

*Melbourne*: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building, Melbourne. (Territory covers States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

### Belgium

YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

### Brazil

L. S. GLASS. Address for letters—Caixa Postal 2164, Rio de Janeiro. Office—Ed. Da. "A Noite," Sala 802, Praca Maua. *Cable address, Canadian.*

### British Malaya

B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory covers the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

### British West Indies

*Trinidad*: M. B. PALMER. Address for letters—P.O. Box 125, Port of Spain. Office—Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, and British Guiana.) *Cable address, Canadian.*

*Jamaica*: F. W. FRASER, P.O. Box 225, Office—Canadian Bank of Commerce Chambers, Kingston. (Territory covers Jamaica, Haiti, the Bahamas, and British Honduras.) *Cable address, Canadian.*

### China

*Shanghai*: H. A. SCOTT. Address for letters—P.O. Box 264. Office—Ewo Building, 27 The Bund, Shanghai. (Territory covers Central China and North China.) *Cable address, Canadian.*

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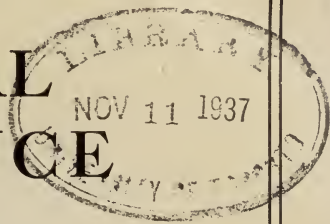
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**Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.**



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Steamer from Canada discharging General Cargo at  
Hamburg, Germany

ISSUED BY AUTHORITY OF  
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE  
JAMES G. PARMELEE, DEPUTY MINISTER

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## UNITED KINGDOM MARKET FOR CANNED FRUITS AND VEGETABLES

By CANADIAN TRADE COMMISSIONERS IN THE UNITED KINGDOM

### I. Introduction

FREDERIC HUDD, CHIEF TRADE COMMISSIONER IN THE UNITED KINGDOM

London, October 15, 1937.—Reports on the trade in canned fruits and vegetables in various sections of the United Kingdom have appeared in the *Commercial Intelligence Journal* from time to time, but no survey of the market as a whole has been recently presented. The following is an attempt to outline simultaneously the position in respect to those canned fruit and vegetable products of importance to Canadian trade in the areas covered by the various Trade Commissioners in the United Kingdom and to comment upon the domestic canning industry, consumption and other aspects of the trade which may conceivably be of interest and assistance to Canadian exporters.

The United Kingdom is the world's leading export market for canned fruits, which since the War have been imported into this country in increasingly large quantities. Purchases from abroad in 1936 of canned and bottled fruits, preserved with and without sugar, aggregated 234,300 tons. While this figure was only slightly higher than the corresponding total for 1935, it was some 20 per cent above the annual average for the five years 1929-33. The domestic output of similar products at present satisfies only about 10 per cent of the requirements.

According to the Imperial Economic Committee's recent review of the trade in 1936, the apparent consumption during the year of canned and bottled fruits, preserved in sugar, was around 205,000 tons as compared with 201,160 tons in 1935. In 1930 supplies of such produce reaching the market amounted to 129,460 tons. These figures represent an increase in the approximate per capita consumption of canned fruits in syrup from 6.3 pounds to 9.8 pounds during the period. Supplies of imported and domestically canned fruits and fruit pulp preserved without sugar, which are not included in these figures, have remained fairly constant at around 50,000 tons per annum.

### DOMESTIC PRODUCTION

Statistics of output of the domestic canning industry during 1936 are not yet available, although due to more abundant supplies of fruit and vegetables several factories were reopened and some increase over 1935 figures is expected to have taken place. During the year 1936 about seventy canneries in the United Kingdom were engaged in the canning of home-grown fruit and vegetables, and it is not expected this figure will show any appreciable change for the 1937 season.

The total quantity of fruit and vegetables canned in 1935—the latest year for which statistics of production are available—was 1,667,000 cwts. Of this

figure 1,205,000 cwts. represented canned vegetables, the bulk of which may be assumed to have consisted of canned pork and beans and peas. The total production of canned and bottled fruits amounted to 462,000 cwts., of which 359,000 cwts. were preserved in syrup. The principal varieties of home-grown fruits now being canned in this country include the following: strawberries, raspberries, red currants, blackberries, gooseberries, plums, cherries, apples, rhubarb, and certain combinations of these fruits. Fruit salad packed from imported canned fruits is also a fairly important item. Actually the output of canned fruits in the United Kingdom has shown little expansion during the past few years, but the growth of the canning industry as a whole may be gauged by the fact that the total output of canned fruits and vegetables in 1924 was around 151,000 cwts. This development is largely due to the increased production of canned vegetables.

Canadian packers cannot escape the competition now being offered by United Kingdom canners in such articles as pork and beans, peas, and plums and other stone fruits, the quality of which has greatly improved. Good crops of United Kingdom stone fruits for two years have resulted in abundant supplies, and the domestic canners have been meeting all demands, to the practical elimination in certain cases of Empire and foreign offerings. United Kingdom peas, fresh, canned, and processed, are seen in abundance and each year the domestic output increases. It is a trade United Kingdom canners have taken up very seriously and they are producing an article of high quality. Canadian and United States peas suffer in competition with them. The former, though well liked for their flavour and substance, are at some disadvantage in that they are not of the highly coloured variety to which the public is accustomed.

#### IMPORTS OF CANNED FRUITS

The principal varieties of canned and bottled fruits preserved in syrup for which the United Kingdom is largely dependent on outside sources, in order of their importance, are: pineapple, peaches, pears, apricots, fruit salad, grapefruit, and apples. In 1936 total imports of these and other fruits in syrup amounted to 3,723,000 cwts. as compared with 3,689,000 cwts. in 1935, the previous existing record. While in volume an increase was recorded, the total value of these imports declined from £6,056,000 to £5,955,000. Details of the total quantities of the leading varieties imported during the past three years are given below:—

#### *United Kingdom Imports of Fruits Preserved in Syrup*

Fruits	1934	1935	1936
	Figures in	Thousands of	Cwts.
Total . . . . .	3,450	3,689	3,723
Pineapple . . . . .	935	886	1,011
Peaches . . . . .	766	888	800
Pears . . . . .	769	854	797
Apricots . . . . .	218	258	279
Fruit salad . . . . .	*	306	279
Grapefruit . . . . .	*	*	173
Currants and berries . . . . .	60	59	53
Apples . . . . .	28	30	48
Plums . . . . .	9	19	7
Cherries, stoned . . . . .	5	4	7
Other sorts . . . . .	660	385	269

\* Included in "other sorts."

It will be noted that the increase in total imports of fruit of this category in 1936 was accounted for mainly by augmented receipts of pineapples, which reached a new high level, and that imports of pears and peaches were considerably less than in 1935. These three items represent over 70 per cent of the aggregate 1936 imports of canned fruits preserved in sugar. Imports of all



varieties of canned fruits preserved in syrup during the first seven months of 1937 are approximately 10 per cent below figures for the January-July period of 1936. Receipts of canned pears have been maintained at 455,222 cwts. as compared with 453,363 cwts. in the first seven months of 1936. Total imports of all other sorts have dropped from 1,855,627 cwts. to 1,659,350 cwts. during the same period.

United Kingdom trade returns separately record importations of fruits and fruit pulp otherwise preserved than with the addition of sugar, total receipts of which have remained fairly constant in recent years. In 1936 fruit and fruit pulp of this category amounted to 962,816 cwts. as compared with 993,815 cwts. in 1935. It is impossible to ascertain exactly the relative importance of fruit and fruit pulp comprising these figures or in what containers they are shipped, although some indication of the varieties of fruit imported under this heading are given in the appended table:—

*United Kingdom Imports of Fruit and Fruit Pulp, Preserved without Sugar,  
1935 and 1936*

Variety of Fruit and Fruit Pulp	1935 Cwts.	1936 Cwts.
Total imports . . . . .	993,815	962,816
Apricots . . . . .	29,685	4,981
Black currants . . . . .	70,753	78,887
Strawberries . . . . .	209,615	222,638
Citrus . . . . .	196,563	153,163
Raspberries and loganberries . . . . .	14,635	47,565
Other pulp (except apricot pulp) . . . . .	49,128	27,003
Other sorts (including apricot pulp) . . . . .	423,436	428,579

SOURCES OF SUPPLY

The United States is the largest single supplier of the leading varieties of canned fruits preserved in syrup imported into the United Kingdom, with the exception of pineapple, in which item Malaya enjoys the greatest volume of trade. Total imports from the United States in 1936 of all fruits preserved in sugar amounted to 1,990,000 cwts. as compared with 2,093,000 cwts. in 1935. That country accounted for 53 per cent of aggregate imports from all sources as compared with 57 per cent in the previous year. Australia and Canada both lost considerable ground as compared with 1935, total imports from these dominions declining from 463,000 cwts. and 117,000 cwts. to 376,000 cwts. and 87,000 cwts. respectively. South Africa and Japan, with sales aggregating 54,000 cwts. and 234,000 cwts., improved their position in the market, the former by increased exports of apricots and peaches and the latter through additional deliveries of mandarin oranges. Empire countries as a whole supplied 38·2 per cent of the imports of such fruit as compared with 38·6 per cent in 1935. The 1936 figure was about the same proportion as in 1932 and 1933, although if it were not for the increased imports of pineapples from Malaya during the past year the position of foreign suppliers on balance would have been much stronger.

STATISTICS OF ARRIVALS

Statistics of arrivals of the individual varieties of canned fruits at United Kingdom ports are more detailed than the import returns and therefore offer a better means of estimating the volume of trade enjoyed by the main supplying countries. Such figures do not, of course, make allowance for transshipment trade. The subjoined table, compiled from returns published by the Imperial Economic Committee, shows the important countries of origin in 1935

and 1936 for the varieties of canned fruit mentioned, and accounts for at least 95 per cent of the total arrivals:—

*Canned Fruit Arrivals at United Kingdom Ports, 1935 and 1936*

Fruit	United States					South Africa	Other Important Countries
	Total	and	Australia	Canada			
	Arrivals	Hawaii			Figures in Thousands of Cases		
Apples . . . . .	1935	582.3	417.5	6.1	158.7	....	.....
	1936	598.6	422.2	2.0	172.9	....	0.5a
Apricots. . . . .	1935	651.3	441.5	154.9	0.4	43.9	10.3b
	1936	665.9	494.5	122.4	1.9	43.2	3.9b
Peaches.. . . .	1935	2,219.8	1,623.9	588.7	6.5	....	.....
	1936	1,968.4	1,511.2	417.1	15.8	....	21.9b
Pears . . . . .	1935	2,064.2	1,506.5	313.2	217.4	27.0	.....
	1936	2,050.2	1,584.4	316.6	110.5	37.5	.....
Pineapples.. . . .	1935	1,893.4	210.4	42.8	....	7.7	1,630.4d
	1936	2,075.7	260.0	10.1	....	15.0	1,781.4e
Fruit salad and cock- tail . . . . .	1935	799.8	791.8	4.6	....	3.3	.....
	1936	693.7	693.1	*	*	0.6	.....
Grapefruit . . . . .	1935	829.4	824.2	....	2.4	0.1	.....
	1936	596.6	592.1	....	1.1	....	.....
Oranges . . . . .	1935	223.4	0.6	....	6.2	....	216.3a
	1936	672.4	9.4	....	2.1	....	651.1a
Cherries . . . . .	1935	128.2	14.9	....	8.1	....	103.6f
	1936	85.3	22.5	0.2	16.9	....	45.2g
Plums and green- gages . . . . .	1935	38.1	3.4	1.0	33.3	....	.....
	1936	12.0	8.5	2.5	0.8	....	.....
Loganberries . . . . .	1935	172.2	146.3	*	25.9	....	.....
	1936	156.1	124.2	*	31.7	....	.....
Blueberries, bilber- ries, and blackber- ries . . . . .	1935	4.4	4.3	....	0.1	....	.....
	1936	5.1	5.1	....	*	....	.....
Raspberries . . . . .	1935	0.7	0.7	....	*	....	.....
	1936	2.2	1.6	....	0.6	....	.....
Strawberries . . . . .	1935	8.2	3.2	....	4.3	....	.....
	1936	6.3	5.1	*	0.6	....	.....

\* Less than 100 cases. a, Japan; b, Spain; c, Chile; d, Malaya 1,622,800 cases and Japan 7,580 cases; e, Malaya 1,746,980 cases and Japan 34,470 cases; f, Italy 93,990 cases and France 9,590 cases; g, Italy 41,240 cases; and France 3,930 cases.

Total receipts from Canada during 1935 and 1936 of the above-mentioned canned fruits, together with a quantity of miscellaneous and unclassified fruits (1,360 cases in 1935 and 16,890 cases in 1936) totalled 465,000 cases and 372,000 cases respectively.

#### IMPORTS OF CANNED VEGETABLES

Tomatoes and peas are the only canned vegetables separately classified in United Kingdom import returns. In 1936 receipts of the former totalled 536,800 cwts. as compared with 955,100 cwts. in 1935. Imports from Canada, amounting to 134,700 cwts., were 11 per cent below the previous year's figure, while supplies from Italy and Spain, amounting to 166,200 cwts. and 156,300 cwts., were respectively 62 per cent and 49 per cent less than in 1935. As compared with the corresponding period of 1936, imports of canned tomatoes during the first eight months of the current year amounted to 439,240 cwts., showing an increase of over 250 per cent. Renewed Italian trade accounts for the bulk of the increase, although the quantity of 52,640 cwts. imported from Canada is over twice as large as during the first eight months of 1936. Spanish trade with this market in canned tomatoes continues to show a downward trend. Imports of canned peas in 1936 at 14,400 cwts. were 2,200 cwts. higher than in 1935. Belgium was the largest single supplier with 13,500 cwts., which figure was some 26 per cent higher than similar trade in 1935.

United Kingdom imports of other varieties of canned vegetables preserved without sweetening matter in 1936 amounted to 100,500 cwts. Although the



varieties are not specified, some idea of the items comprising these shipments may be obtained by reference to export figures of the main countries of supply. In the case of Canada and the United States these include considerable quantities of beans, asparagus, peas, and corn.

### TRADE WITH CANADA

An encouraging expansion has taken place during the past five years in Canada's exports of canned fruits and vegetables to the United Kingdom. According to Canadian trade returns, during the year ending March 31, 1937, 20,333,850 pounds of canned fruits, with a value of \$1,244,542, were consigned to this country as compared with 9,403,604 pounds valued at \$528,909 for the corresponding 1932-33 period. Canned vegetables over the same period have shown a steady increase in volume, rising from 4,557,634 pounds valued at \$178,978 to 37,416,350 pounds valued at \$1,597,538. Despite the fact that the 1936-37 figures for canned fruits represent a 10 per cent decrease as compared with the preceding year, and while Canadian sales of canned fruits and vegetables represent a relatively small portion of this country's annual aggregate purchases of such products, Canada is becoming a more important supplier of certain items such as pears, gallon apples, peaches, and tomato products.

United Kingdom trade returns record importations from Canada in 1936 of 87,000 cwts. of canned and bottled fruits preserved in sugar as compared with a total of 117,000 cwts. in 1935. The items comprising these figures, in so far as they are separately listed, with 1935 figures within parentheses, were: pears, 56,800 (82,600) cwts.; peaches, 11,200 (7,800) cwts.; small soft fruits, 9,000 (7,600) cwts.; cherries, 5,900 (1,700) cwts.; and plums, 1,300 (13,800) cwts. Receipts of Canadian fruit and fruit pulp preserved without sugar amounted to 74,600 cwts. in 1936 as compared with 75,700 cwts. in the previous year. These importations are known to consist mainly of gallon apples, but it is not possible to ascertain accurately the quantities of other varieties of fruit or fruit pulp included in such figures.

The above figures, together with those given in a preceding section of this report, indicate that, in spite of a decreased total value of trade in canned fruits, Canada enjoyed increased business in 1936 in the case of peaches, apples, apricots, loganberries, and cherries. Receipts of Canadian pears, the most important item, were, however, much below the 1935 level. Aggregate shipments of canned fruit from Canada to the United Kingdom from the commencement of the present year to September 18 were 56 per cent larger than in the corresponding period of last year. Larger consignments are recorded for apples, pears, and loganberries, although a falling-off in shipments of cherries and peaches has taken place.

Tomatoes and peas are the only canned vegetables separately listed in United Kingdom trade returns, and in 1936 imports of these two products from Canada amounted to 134,700 cwts. and 200 cwts. respectively as compared with 150,600 cwts. and 100 cwts. during 1935. Other Canadian vegetable products preserved with added sugar amounted to 458,200 cwts. as compared with 293,000 cwts. in 1935. These figures include a considerable proportion of other tomato preparations and beans with pork.

### TRENDS IN DISTRIBUTION

In view of the fact that Canadian shippers to this market must compete for the most part with the United States and Australia, brief reference may well be made to the prevailing trade practices and sales methods.

The sales of several large Californian packers for some time have been handled in this country by branch offices of the parent concerns, who through

the generally recognized quality of their canned produce and extensive advertising have been able to maintain and even improve their position in the United Kingdom market. The bulk of the trade, however, is still carried on by import merchants or brokers with long-established connections with United States canners, or who have their own buying offices in the United States.

With reference to supplies from Australia, an important development during the past few years has been the inducement offered to United Kingdom buyers by the Australian Canned Fruits Control Board. Shippers through this board now grant a deferred reduction of 5 per cent in price on all orders of 5,000 cases or more of canned fruit. While this practice has undoubtedly been responsible for a substantial rise in the sale of Australian canned fruit during the past season, it is not regarded with favour by some large traders. In practice the price arrangements are as follows:—

The Australian shipper or his agent quotes the price fixed by the board to the United Kingdom importer or dealer on a minimum of 1,000 cases—the price for 5,000 cases being the same less 5 per cent. He further quotes the prices at which the goods must be resold, indicating a rising scale of price reductions as the goods are sold in lots of 1 to 24 cases, 25 to 99 cases, 100 to 249 cases, and 250 cases and up. These prices must be adhered to if the importer is to receive the 5 per cent reduction.

While the import merchant still plays a very important part in the United Kingdom trade in canned goods, the volume of business now being transacted by this specialized type of trader is being influenced as a result of direct purchases made by large departmental and chain stores and co-operative organizations, all of which are regarded as large buyers. Some wholesalers for financial reasons, however, are now buying canned goods in smaller quantities than in former years and importers are again receiving a volume of this trade. The main importers regard themselves as forming a much-required protection against the aggressiveness of the organizations with large buying powers, and doubtless they do provide the medium-sized and smaller businesses with a competitive source of supply.

United Kingdom canners, with the marked improvement in their packs and wider choice of products, have become independent of the usual channels employed for the distribution of imported canned goods, and now canvass the retailers direct through their own sales organizations, which usually trade in complementary lines of foodstuffs.

#### PROBLEM OF SUPPLY

The figures here elaborated are indicative of the progress which has been made as a result of the increased attention paid to this market by Canadian exporters since they have enjoyed the benefit of preferential rates of duty in the United Kingdom market and the assistance rendered by Government and other advertising.

The introduction of a tariff on goods of non-Empire origin, coinciding with "Buy British" sentiment in this country, has tended to divert a huge volume of trade into Empire channels. The trade here has been encouraged to seek Empire supplies, but Canadian exporters have not proved entirely dependable in this connection, as supplies are often small and intermittent and do little to fill the huge latent gap which the tariff and Empire sentiment have created.

#### DUMPING OF SURPLUS STOCKS

For the guidance of firms who may know little of marketing conditions here and the enormous quantities of goods consumed, it should be stated that this is decidedly not a market in which to dump surplus stocks at irregular intervals.



To build up a successful trade requires dependable continuity of supply and quality, otherwise future sales are prejudiced.

The lack of continuity of supply for some lines on the grocers' shelves is, in itself, a hindrance to an increase in demand which might otherwise be expected. The essentially conservative nature of both shopkeepers and consumers is one serious handicap in building up a large volume of business for a comparatively new product or brand, but in addition it has been found that some of the larger chain organizations purchase spot offers of certain brands of Canadian canned goods from time to time, and when these are sold they are unable to say when further stocks of the same brand will be available. This tends to have an unfavourable effect on the market for Canadian canned goods generally. Furthermore, unless the grocer will make a determined effort to introduce a new Canadian line, his sales are likely to be so restricted that he will hesitate to place repeat orders except on a very limited scale. The result is that those customers who purchased from the original stock may find it difficult or impossible to get further supplies.

#### LABELLING

Products of high quality, in tins with attractive labels, are equally important. Indeed, it is thought by many interested in the sale of Canadian products that the greatest appeal to a purchaser, if the product is competitive, is made through an attractive label. This is a matter for the shippers and their distributors here, the importance of which cannot be emphasized too much. A popular design of label is one of dignified bright colours, faithfully depicting the fruit or vegetable contained in the can.

#### VALUE OF ADVERTISING

Advertising is a matter which has been given considerable attention recently by Canada and Australia in particular. As is well known, wide and useful publicity has been secured for Canadian products through the medium of the "Canada Calling" campaigns carried on in all the principal centres of the Kingdom during the past twelve months. An outstanding item in this publicity effort is canned goods, and the results achieved to date have been gratifying. Further, the Canadian Government Exhibition Commission have continued their program of establishing "Canada Shops" for a period of from two to three weeks in prominent positions in the principal cities, and of taking space in important exhibitions. In these shops and exhibitions canned fruits and vegetables, as well as other products, are attractively displayed and can be tasted, and small samples can be purchased. All this, plus the various forms of advertising, is very effective.

#### CONTINUOUS PUBLICITY ESSENTIAL

Serious consideration might well be given also to advertising and sales policies designed to concentrate attention upon the ultimate consumer rather than upon the importer, wholesaler, or retailer. Naturally, the merits of any particular form of advertising and other publicity are the subject of diverse views since, while any increase of sales at a particular time may be definitely attributed to a publicity or advertising effort, there is no way by which any long-term results may be measured. Such efforts may be a "flash-in-the-pan" only, or they may have a permanent benefit; so many factors enter into the question that no assurance can be given.

There is no doubt, however, that publicity should be continuous, to be cumulatively effective. Various methods have been successfully employed in different areas and under varying conditions, such as large posters on hoardings, billboards, local press and trade journal advertising, display material for

retailers, the use of demonstrators and the distribution of recipe books, supported when possible by the innumerable displays arranged by the Canadian Government Exhibition Commission at exhibitions, temporary "Canada Shops," and by such efforts as the "Canada Calling" campaign. Canadian Government efforts, however, which must necessarily be of a general nature, can get the best results only if supported by Canadian firms advertising their own special brands.

The failure of the average shopkeeper to push any new product, combined with the tendency of the buyer to ask for the well-established or well-advertised lines, indicates the desirability of Canadian packers assisting their distributors, both wholesale and retail, by some such form of advertising or publicity as has been indicated.

#### EDUCATING THE PUBLIC

The opinion has been expressed by members of the trade that the public must be educated to the use of some of the Canadian food products which are being offered on the United Kingdom market. It might be pointed out, for example, that such well-known and popular products as canned corn and tomato juice are practically unknown to many British people. Furthermore, the use of certain food products in the United Kingdom is either different than in Canada, as in the case of canned tomatoes, or is relatively unknown, as in the case of corn-on-the-cob.

The experience of the Trade Commissioners in the United Kingdom constrains them to urge upon Canadian exporters interested in the maintenance and expansion of their United Kingdom market the importance of dependable continuity of supply and to emphasize the necessity of attention to advertising.

To supplement this general review of the market for canned fruits and vegetables in the United Kingdom, there follow individual reports by Canadian Trade Commissioners upon the conditions in their respective territories.

## II. The London Market

S. V. ALLEN, ASSISTANT TRADE COMMISSIONER, LONDON

So far this year the London canned goods trade has been free from a number of disturbing factors which during the year 1936 made business difficult and uncertain. Deliveries of Californian fruits since the settlement of the shipping strike on the Pacific Coast have become more regular, while Continental countries, notably Italy, whose large trade in tomatoes was seriously affected by political conditions in 1936, seem to be regaining some of their lost ground.

Australian fruits, for which opening prices were released towards the end of January, found a ready market and the greater part of the pack was sold by the end of February. Quotations were withdrawn in June and prices were advanced further. Retail demand for Australian fruits has remained steady and low spot stocks are reported. Import trade at the moment is inactive although additional arrivals of Australian fruit under previously existing contracts are taking place. Sales of Californian fruits, both spot and forward, continue slow and in the face of high prices bookings are less than they have been for several years past at this period. The reported fresh labour difficulties on the Pacific Coast may tend to delay shipments from that area.

Arrivals of canned fruits and vegetables from Canada during the first six months of 1937, with the exception of peaches, have been larger than for the corresponding period of 1936. Deliveries from Canada prior to the end of the year, however, may be slightly affected by the reported shortage of shipping space. In general, however, the London area should be receptive to Canadian fruits and vegetables this season even at slightly higher prices than last year.



Offers from California indicate increased replacement costs, although prices for peaches, apples, apricots, and cherries may show weakness due to the very large packs reported. Competition from English small fruits, however, will be as keen as during the past year, although at present prices on some items, notably plums, cherries, loganberries, and strawberries, are above last year's level. English canners have had a satisfactory canning season and production as compared with previous years has been well maintained.

#### NOTES ON IMPORTANT COMMODITIES

Market conditions in London regarding canned fruits and vegetables of major importance to Canadian exporters are given below. These include apples, peaches, pears, loganberries, cherries, plums, fruit salad, and grapefruit, and in the case of vegetables, tomatoes, pork and beans, peas, corn, asparagus, and spinach. Prices, unless otherwise indicated, were in effect during the latter part of September.

##### CANNED FRUITS

*Apples.*—The London baking trade takes a large proportion of the canned apples imported from Canada, which are replacing evaporated apples, hitherto employed to a greater extent for this purpose. Competition is mainly with packs from the Pacific Coast of the United States but English canners are to-day offering an excellent product which finds a ready market. The United States packs are both sweetened and plain. Sales of the former, normally quoted at slightly lower prices, while increasing, are still comparatively limited. Both Standard and Choice quality grades from Canada are sold in this area. Limited quantities of the latter from British Columbia, Ontario, and Nova Scotia usually command 1s. 6d. to 2s. per dozen over quotations for Standard grade, which by far comprises the bulk of the Canadian shipments. Reports from the United States indicate that a substantially larger output of canned apples is expected this year, which, together with a considerable carry-over, has brought prices down since offers opened in June.

Canadian Standard grades are being quoted at 15s. 6d. per dozen 10's c.i.f. London, with Ontario Choice grade at 17s. 6d. Offers for Californian and Oregon solid pack unsweetened apples of 15s. 6d. to 17s. are of little interest to English buyers. Small quantities of old Oregon packs have been offered at as low as 14s. 9d. English canners have been offering 1937 pack Bramley Seedlings, the pack of which is short, at 18s. to 19s. 6d. delivered. Canadian packers may expect a continued demand for their product providing prices are competitive and the quality is maintained, although continued pressure of stocks in the United States may tend to reduce prices still further. Limited quantities of Canadian apples packed in smaller cans for retail distribution have been sold in this market recently, but in view of the relatively high cost of the container it is not expected that any large volume of business in such a pack can be developed.

*Peaches.*—The London trade in canned peaches from Australia during the past season was very satisfactory. C.i.f. prices for Australian peaches ranged from 1d. to 4d. above corresponding qualities and packs from the United States which made them comparatively more attractive on a duty-paid basis than they have been for some years past. Choice Californian Yellow Cling peaches from the 1937 pack are being offered at 8s. 6d. per dozen 2½'s. Stabilized landed duty-paid prices for last season's Australian peaches of Choice quality 2½'s were 7s. 6d. and 7s. 9d. In view of a heavy pack in the United States, prices for peaches may decline by the end of the year unless there is an increased domestic demand in that country.

Canadian peaches of choice quality are being offered at around 9s. per dozen 2½'s landed duty paid. While the price differential may make sales difficult, nevertheless the distinct flavour of Canadian peaches is being appreciated and a fair market should exist this year, particularly if prices for the Californian product remain at their present level. Although recent sales of Canadian canned peaches in this market have been satisfactory, it may be anticipated that the greater demand will continue for a highly coloured product in clear syrup of the type usually shipped to this country by Californian and Australian packers.

*Pears.*—Canned pears are a fruit of major importance to Canadian canners selling in this market. Although United States and Australian packers have created a marked consumer preference for Bartlett pears which has resulted in a prejudice against other types, Canadian sales of the Keifer variety during the past year or two have been eminently satisfactory. The latter are being offered for shipment, landed duty paid, at about 6s. 11d. per dozen 2½'s Choice quality. As compared with Oregon Washington Choice pack Bartletts at 8s. 6d. to 9s., Canadian pack of this variety has been offered at around 8s. 8d. per dozen, duty paid. Australian spot sales have been very satisfactory at prices averaging 8d. less per dozen than the competing pack from California. The established dealers' reselling price duty paid in lots of 250 cases and more for Australian pears of Choice quality since the beginning of the year have been 7s. 6d. to 8s. per dozen. Forward prices from the United States are slightly higher than similar quotations two months ago, and although bookings for Californian pack are slow, prices are not expected to weaken in view of a smaller 1937 pack of canned pears in that State.

*Loganberries.*—An increasingly important item for Canadian canners is loganberries, most of which are consigned from British Columbia. A large share of the market, however, is catered to by United Kingdom canners who put up an excellent product. Quotations on Choice Canadian loganberries from this year's pack have been around 7s. 2d. per dozen for 2's tall c.i.f., which is equivalent to approximately 7s. 9d. landed duty paid. Canadian loganberries should be well received at this price as local canners this year are reported to have paid high prices for their supplies. English canners have been selling at 7s. 3d. per dozen, delivered, for a similar pack. Competition from California will not be felt as strongly as in the past two years as duty-paid prices are in the neighbourhood of 8s. 6d. per dozen for Fancy 2's.

*Cherries.*—Italian trade in canned cherries suffered a setback in 1936, but signs of revival this season are evident. The bulk of the purchases from that source are of large artificially coloured varieties which are now being offered c.i.f. at 8s. per dozen 2½'s for first quality and 4s. 3d. for 1¼ flats. The Canadian pack competes more directly with the local product, which is being offered at 8s. 6d. per dozen 2's of Choice quality, delivered. Canadian Choice red pitted cherries 2½'s are being quoted at 9s. per dozen duty paid. Local packs are reported to be lower than last year due to a short crop of cherries and Canadian exporters should be able to dispose of moderate quantities in this area.

*Plums.*—Canned plums are an item in which English canners are well qualified to maintain their strong position in the market. Although Canadian exporters did a considerable volume of trade in plums in this market in 1935, it is not expected that business of any consequence will be possible this year. The local plum crop provided canners with low-priced fruit, and with large carry-overs from the past season there will be little opportunity for imported varieties. Delivered London prices for domestically canned plums of choice quality are in the neighbourhood of 6s. 6d. per dozen for 2½'s.

*Other Canned Fruits.*—Reference might be made to several other varieties of fruits canned in Canada which have found a limited market in London among



high-class provision shops. Such products as grapefruit, fruit salad, and fruit cocktail have been added to established lines in order to provide more complete ranges of produce. Although the market for Canadian packs of these varieties will probably be very limited, current duty-paid quotations for these commodities are as follows: Fancy Florida grapefruit 2's, 6s. 3d. to 6s. 6d. per dozen; Choice quality California fruit salad  $2\frac{1}{2}$ 's, 12s. 3d. per dozen; Choice quality California fruit cocktail  $2\frac{1}{2}$ 's, 11s. 6d. per dozen.

#### CANNED VEGETABLES

*Tomatoes.*—The favourable position enjoyed in this market by Canadian shippers of canned tomatoes last year has been maintained so far this season. Renewed shipments from Italy have been much above last year's level, but have not yet reached a volume sufficient to satisfy the normal demand, while Spain is less of a factor in the trade this year than last. Italian production of canned tomatoes this season is not as great as originally forecast, unfavourable weather having depleted the crop of suitable supplies for canning.

As a result of these conditions, Canadian tomatoes have been well booked up and any further available supplies should find a ready market. C.i.f. quotations for Italian pack opened at 4s. 3d. per dozen for  $2\frac{1}{2}$ 's with 3's at 4s. 6d. to 4s. 10d. and up to 5s. Canadian quotations at 4s.  $2\frac{1}{2}$ d. to 4s. 4d. for Choice  $2\frac{1}{2}$ 's and 4s.  $1\frac{1}{2}$ d. to 4s. 3d. for Standard grade were readily accepted. Limited quantities of Canadian Choice tomatoes of the plum type were sold at 5s. 3d. to 5s.  $10\frac{1}{2}$ d. per dozen  $2\frac{1}{2}$ 's. The premium obtained for the plum variety from Canada over the pack of corrugated tomatoes which normally comprise the bulk of the Canadian pack should be noted. This type in solid pack from Italy has been the standard to which the consuming public has been accustomed. Providing Canadian shippers can increase their output of this variety, a ready market is assured for it.

*Beans with Pork.*—English canners have a large trade in pork and beans which is growing steadily. Importations have not declined perceptibly, although it is becoming increasingly difficult for importers to sell in competition with the article put up in this country. Present duty-paid prices for United States packs of good quality vary from 2s. 6d. to 2s. 9d. per dozen ex wharf for 1's, while a well-known domestic brand is being quoted at 2s. 8d. delivered. Prices on Canadian packs vary as to quality and 1's have been quoted as high as 3s. 3d. per dozen, duty paid. With a preference of 20 per cent ad valorem against the non-Empire product, Canadian exporters should still be able to compete with United States brands.

*Peas.*—On the basis of price, United Kingdom canners offer heavy competition to imported supplies. Delivered quotations for canned fresh garden peas are in the neighbourhood of 6s. per dozen 2's of Choice quality. Although limited quantities of Canadian peas have found a market at slightly higher prices, the outlook for an expansion of such business in future is not hopeful.

*Corn.*—Canned corn is not yet a widely consumed article for table use, but it is being served to a great extent as a hors d'œuvre by the London restaurant and hotel trades. In this way it is gradually becoming better known to the public. The market for corn on the cob is even much more limited, but as a taste is developed for both an increased trade should result. Competition from the United States is mainly in kernel corn which, due to the small liquid content as compared with sweet corn, gives a superior turn-out.

*Asparagus.*—Considerable quantities of canned asparagus from California are sold in the London market, particularly to the restaurant and luxury class of trade. The pack in that State is reported to be smaller this year and prices have been well maintained. United States Mammoth Green asparagus in  $2\frac{1}{2}$

square tins was quoted at 12s. per dozen c.i.f. and White grade in the same size at 12s. 10d. Although White asparagus from the United States dominates the market, the Canadian green tips are well liked for their flavour. Asparagus of this type has been fetching 8s. 4½d. per dozen for the 10-ounce size.

*Spinach.*—Canadian, English and United States canners compete for the limited demand there is for canned spinach. The Canadian article is being sold at around 8s. 5d. per dozen 2½'s Choice as compared with 8s. per dozen for an English pack and 7s. 9d. for a well-known Californian pack.

[The second section of this report, covering the provincial markets in the United Kingdom, will be published in the next issue.]

## CONDITIONS IN THE UNITED KINGDOM, JANUARY TO SEPTEMBER

FREDERIC HUDD, CHIEF TRADE COMMISSIONER IN THE UNITED KINGDOM

### PART II

#### External Trade

London, October 20, 1937.—The external trade of the United Kingdom during the first three quarters of the year was marked by the same favourable tendencies as have been in evidence since the beginning of the year. Both imports and exports showed material increases as compared with last year's figures. The increase is proportionately greater in values than quantities, owing to the rapid rise in prices. This is true particularly of imports, but exports also are expanding due to increased consumptive power arising from the enhanced value of primary products.

The imports, exports and re-exports of the United Kingdom during the first nine months of the present year, compared with the corresponding period in 1936, are summarized in the following table. The percentage increases in all categories are also indicated.

	Nine Months ended		£	Increase Per Cent
	1937	1936		
Imports . . . . .	741,887,728	607,978,989	133,908,739	22.0
Exports . . . . .	385,651,984	320,092,159	65,559,825	20.4
Re-exports . . . . .	59,375,148	45,712,925	13,662,223	29.8

The figures disclose an excess of imports over exports of £296,861,000. If continued at the same rate, the visible adverse balance of trade at the end of the year will be £395,614,000, or about £46,000,000 more than last year. In 1936 the total "invisible exports" (i.e. income derived from the country's overseas investments, shipping services, etc.) were estimated at £330,000,000. It is confidentially anticipated that this figure will be substantially greater this year but to what extent it is impossible to say until the Board of Trade compiles its annual calculation in the early months of 1938. It will be recalled that there was a debit balance on the country's overseas trade in 1936 of £19,000,000.

#### IMPORTS

The increase in imports of £133,908,739 was due chiefly to heavier purchases of raw materials and manufactured goods.

Raw material imports were valued at £232,053,742, a rise of 23 per cent. Expansion was apparent in all branches. The most noteworthy advance was one of 55 per cent in rubber, but both wood and non-ferrous metals went up by more than 30 per cent, and hides and skins by 26 per cent.

In the fully manufactured goods class nearly half of the increase of £46,641,648 was contributed by non-ferrous metals and manufactures, which, with



£42,479,952, were 43 per cent greater than in the corresponding period of 1936. Machinery imports increased by 28 per cent, and oils and fats by 22 per cent.

More than half of the increase of £32,763,629 in imports of food, drink and tobacco was accounted for by grain and flour, which expanded by 27 per cent.

### EXPORTS

One of the most satisfactory features of the returns is the manner in which export trade has improved. For the expired portion of the year exports of British goods were recorded at £385,651,984, an increase of £65,559,825.

Fully manufactured goods, valued at £300,344,914, made the biggest item, contributing £50,715,323 toward the increase. Practically all classes of manufactured articles had higher totals, but the outstanding increases took place in iron and steel (£9,334,760); cottons (£7,065,047); vehicles, ships and aircraft (£5,416,354); and machinery (£5,096,047). Raw material exports amounted to £48,660,895, a 23 per cent increase over the first nine months of 1936. Very welcome activity was shown in the coal trade, shipments advancing by £5,995,918, or 19 per cent.

The results for the nine months, divided according to the main commodity classifications, and compared with the corresponding figures for 1936 are reproduced in the followed table:—

TABLE OF IMPORTS, EXPORTS, AND RE-EXPORTS ACCORDING TO THE BOARD OF TRADE  
CLASSIFICATION, DURING THE NINE MONTHS ENDED SEPTEMBER 30,  
1936 AND 1937

#### (a) Imports

	Nine Months ended Sept. 30 1936	1937
Food, drink and tobacco . . . . .	£270,167,137	£302,930,766
Raw materials and articles mainly unmanufactured ..	178,175,612	232,053,742
Articles wholly or mainly manufactured . . . . .	155,898,356	202,540,004
Animals, not for food . . . . .	1,459,471	2,256,538
Parcel post . . . . .	2,278,413	2,106,678
<b>Total . . . . .</b>	<b>£607,978,989</b>	<b>£741,887,728</b>

#### (b) Exports of Produce and Manufactures of the United Kingdom

	Nine Months ended Sept. 30 1936	1937
Food, drink and tobacco . . . . .	£ 24,743,387	£ 27,930,892
Raw materials and articles mainly unmanufactured ..	37,083,939	48,660,895
Articles wholly or mainly manufactured . . . . .	249,629,591	300,344,914
Animals, not for food . . . . .	755,952	578,437
Parcel post . . . . .	7,879,290	8,136,846
<b>Total . . . . .</b>	<b>£320,092,159</b>	<b>£385,651,984</b>

#### (c) Exports of Foreign and Colonial Merchandise

	Nine Months ended Sept. 30 1936	1937
Food, drink and tobacco . . . . .	£ 8,597,117	£ 9,641,528
Raw materials and articles mainly unmanufactured ..	24,469,694	30,323,745
Articles wholly or mainly manufactured . . . . .	12,355,589	18,892,648
Animals, not for food . . . . .	290,525	517,227
<b>Total . . . . .</b>	<b>£ 45,712,925</b>	<b>£ 59,375,148</b>

### IMPORTS FROM CANADA

*Wheat.*—Receipts of wheat from the Dominion fell sharply from 42,633,116 cwts. in the January-September period, 1936, to 26,019,392 cwts. Due to the compensating effect of higher prices, the money return was very little less, the

respective values of these imports being £15,399,383 and £14,622,687. The total tonnage of wheat imported was 71,857,722 cwts., against 73,706,904 cwts. Argentina made good Canada's deficiency by shipping 15,000,000 cwts. more this year.

*Barley.*—Canada's shipments of barley (781,311 cwts.) were less than half those of the previous year. Iraq, with 4,157,805 cwts., was the most important contributor to the total imports of 11,665,463 cwts.

*Oats.*—Total deliveries of oats were 945,610 cwts., a decline of 547,553 cwts. Canada, which is the chief source of supply, suffered practically the whole of this loss.

*Flour.*—There is no change to report in the flour situation, apart from the effect of the upward movement of prices. Aggregate imports (6,359,639 cwts.) and arrivals from Canada (2,896,808 cwts.) were practically the same as a year ago. Values of course were substantially higher all round.

*Rolled Oats.*—Here again there was a contraction. Canada holds practically the whole of this business, but her shipments, which aggregated 267,644 cwts., were 82,623 cwts. less than for the first three quarters of 1936.

*Cattle.*—The number of Canadian cattle received in the United Kingdom dropped from 29,080 to 7,885 head. This coincided with a reduction in total imports of some 32,000 head, landings from Ireland falling by 10,000 to 452,140 head.

*Bacon and Hams.*—Shipments of Canadian bacon and hams this year have materially exceeded the figures of recent years. Already more than 1,000,000 cwts. of bacon have come in from the Dominion, an increase of 42 per cent, total imports being 5,167,199 cwts. against 4,886,003 cwts. Denmark's share of the trade remained steady at 2,569,238 cwts. Canada and the United States sent almost equal quantities of hams to the United Kingdom. This year the Dominion furnished 247,624 cwts., against 197,828 cwts. last year, while the United States' tonnage fell from 272,231 cwts. to 218,277 cwts.

*Cheese.*—There was a noticeable increase in the volume of Canadian cheese landed in the United Kingdom. The amount for the nine months was 422,264 cwts., a rise of more than 43 per cent. At the same time, total imports advanced from 1,904,318 cwts. to 2,149,499 cwts. New Zealand's contribution was unchanged at 1,374,432 cwts.

*Canned Salmon.*—There was an expansion of 42 per cent in Britain's purchases of canned salmon from abroad, the total reaching 475,955 cwts. Canadian deliveries went up from 79,590 cwts. to 95,100 cwts., and Japanese consignments, at 234,852 cwts., were more than twice as much as in the first three quarters of 1936.

*Lard.*—Great Britain's imports of lard remained steady at a little more than 1,000,000 cwts. Of this, Canada supplied 217,383 cwts., over 30,000 cwts. more than for the corresponding period of 1936.

*Leaf Tobacco.*—Although imports of stripped leaf tobacco increased by 10,000,000 pounds to 35,551,853 pounds, Canada's share, namely 701,428 pounds, was 90,000 pounds less. In the unstripped variety there was a drop in total imports from 128,499,189 pounds to 104,194,005 pounds. The quantity credited to the Dominion was 6,595,536 pounds, a fall of 11 per cent.

*Wood and Timber.*—Under the heading of "sawn softwoods," an increase of 4 per cent was registered in aggregate imports, which amounted during the period under review to 1,453,396 standards. Imports from Canada (275,939 standards) represented an expansion of 32 per cent. A small growth also took place in total imports of planed softwoods (235,452 standards), but the volume of orders filled by Canadian exporters went up by 60 per cent to 87,831 standards.



**Metals.**—An idea of the size of Britain's purchases from overseas of non-ferrous metals may be gathered from the fact that they were valued during the first nine months of 1937 at £42,479,952 as compared with £23,842,814 in the same period of 1936. The advance in prices was partly responsible. The quantities which came in from Canada have in most cases shown expansion, although in zinc and copper rods there was a decline. The biggest change was in unwrought nickel, imports of which from Canada rose by 62 per cent to 219,841 cwt.

**Rubber Footwear.**—More rubber boots reached the United Kingdom from Canada than from any other country. Entries from the Dominion totalled 191,881 dozen pairs out of 203,283 dozen pairs, which represented an increase of 25 per cent over last year. In rubber tennis shoes, on the other hand, Canada lost ground to Hongkong, which increased her exports from 258,181 dozen pairs to 328,167 dozen pairs, while receipts from Canada fell from 204,266 dozen pairs to 144,354 dozen pairs.

**Newsprint, Boards, etc.**—The trade in newsprint, boards, etc., remained fairly stable. In the January-September period the Dominion supplied 2,055,494 cwt. out of 6,456,267 cwt. of newsprint and 326,372 cwt. out of 2,376,417 cwt. of boards.

#### IMPORTS OF CERTAIN PRODUCTS, MAINLY AGRICULTURAL, INTO THE UNITED KINGDOM DURING THE NINE MONTHS ENDED SEPTEMBER 30, 1936 AND 1937

	1936		1937	
	Quantity Cwts.	Value £	Quantity Cwts.	Value £
<b>Wheat—</b>				
Total imports . . . . .	73,706,904	25,926,837	71,857,722	37,283,826
Canada . . . . .	42,633,116	15,399,383	26,019,392	14,622,687
Argentina . . . . .	647,060	214,609	15,473,205	7,206,723
Australia . . . . .	18,314,345	6,507,775	19,472,026	10,049,058
United States . . . . .	.....	.....	605,325	318,442
Soviet Union . . . . .	167,306	55,771	766,715	376,140
<b>Barley—</b>				
Total imports . . . . .	12,166,220	3,133,589	11,665,463	4,600,546
Canada . . . . .	1,625,583	425,196	781,311	310,532
United States . . . . .	1,948,794	675,697	1,313,486	700,961
Argentina . . . . .	105,422	23,194	1,054,075	376,565
Soviet Union . . . . .	1,514,131	313,211	751,650	254,103
<b>Oats—</b>				
Total imports . . . . .	1,493,163	380,711	945,610	381,205
Canada . . . . .	1,474,112	374,466	786,524	320,930
<b>Wheat Meal and Flour—</b>				
Total imports . . . . .	6,299,705	2,758,819	6,359,639	4,016,644
Canada . . . . .	2,987,984	1,492,474	2,896,808	2,041,684
Australia . . . . .	1,865,050	765,636	2,504,018	1,503,155
United States . . . . .	52,910	33,303	61,231	43,777
<b>Oat Products (including Groats and Rolled Oats)—</b>				
Total imports . . . . .	350,681	408,403	269,212	335,628
Canada . . . . .	350,267	408,055	267,644	334,523
Foreign countries . . . . .	397	322	1,009	861
<b>Bacon—</b>				
Total imports . . . . .	4,886,003	20,295,374	5,167,199	21,723,128
Canada . . . . .	739,184	2,905,645	1,049,256	4,199,964
Denmark . . . . .	2,583,927	11,427,677	2,569,238	11,448,809
Poland . . . . .	311,217	1,232,211	323,636	1,324,565
Netherlands . . . . .	368,789	1,559,722	358,475	1,534,643
Sweden . . . . .	184,545	772,634	186,823	798,988
<b>Hams—</b>				
Total imports . . . . .	517,090	2,304,419	504,393	2,376,454
Canada . . . . .	197,828	897,117	247,624	1,186,190
United States . . . . .	272,231	1,226,026	218,277	1,032,052
<b>Cattle—</b>	Number		Number	
Total imports . . . . .	492,072	4,180,770	460,025	4,319,583
Canada . . . . .	29,080	509,250	7,885	136,540
Irish Free State . . . . .	462,992	3,671,520	452,140	4,183,043

*Imports of Certain Products into the United Kingdom—Continued*

	1936		1937	
	Quantity Cwts.	Value £	Quantity Cwts.	Value £
<b>Cheese—</b>				
Total imports.. . . .	1,904,318	5,346,347	2,149,499	6,640,328
Canada.. . . .	287,561	893,381	422,264	1,442,416
New Zealand.. . . .	1,339,032	3,691,095	1,374,432	4,214,552
<b>Apples, Raw—</b>				
Total imports.. . . .	4,122,610	4,337,834	3,098,359	3,195,333
Canada.. . . .	900,115	794,264	645,639	528,284
United States.. . . .	1,104,015	1,067,319	630,936	648,503
Australia.. . . .	1,636,994	1,873,632	1,488,081	1,620,925
<b>Pears, Raw—</b>				
Total imports.. . . .	872,398	1,152,850	822,546	1,094,095
Canada.. . . .	9,421	12,449	16,710	22,848
United States.. . . .	263,611	387,396	202,855	318,992
Australia.. . . .	240,623	318,990	297,151	369,062
Union of South Africa.. . . .	187,986	217,140	140,166	179,106
<b>Fish, Fresh or Frozen (not of British Taking)—</b>				
Total imports.. . . .	1,391,467	2,035,991	1,326,518	2,245,045
Canada.. . . .	54,818	203,570	69,827	267,197
Norway.. . . .	576,605	525,435	546,852	630,545
Denmark.. . . .	237,886	456,284	239,302	480,776
Irish Free State.. . . .	34,588	213,762	21,826	133,699
<b>Canned Salmon—</b>				
Total imports.. . . .	326,439	1,230,891	475,955	1,659,431
Canada.. . . .	79,590	337,049	95,100	362,577
United States.. . . .	152,135	602,154	141,347	552,770
Soviet Union.. . . .	1,422	3,391	4,403	15,501
Japan.. . . .	92,597	284,565	234,852	726,555
<b>Canned Lobster—</b>				
Total imports.. . . .	15,997	219,171	17,909	245,403
Canada.. . . .	12,989	185,836	14,478	203,206
<b>Lard—</b>				
Total imports.. . . .	1,150,924	2,896,226	1,030,098	3,025,041
Canada.. . . .	184,701	498,956	217,383	691,699
United States.. . . .	447,975	1,165,527	368,258	1,093,917
<b>Tobacco Unmanufactured if Stripped—</b>	Lbs.		Lbs.	
Total imports.. . . .	25,121,016	1,362,086	35,551,853	2,165,257
Canada.. . . .	791,842	48,728	701,428	39,640
Nyasaland.. . . .	3,068,525	128,729	3,971,946	155,923
Southern Rhodesia.. . . .	613,394	25,365	980,275	54,380
British India.. . . .	10,237,546	338,430	14,944,805	613,605
United States.. . . .	9,987,044	799,482	14,623,008	1,283,290
<b>Tobacco Unmanufactured, if Unstripped—</b>				
Total imports.. . . .	128,499,189	7,643,080	104,194,005	6,592,435
Canada.. . . .	7,351,791	464,031	6,595,536	430,624
Nyasaland.. . . .	6,735,403	335,130	6,287,789	296,432
Southern Rhodesia.. . . .	10,171,861	433,824	10,845,536	607,629
British India.. . . .	626,110	23,234	973,848	33,776
United States.. . . .	98,735,947	6,095,280	74,980,504	4,922,822
<b>Aluminium and Aluminium Alloys—</b>	Cwts.		Cwts.	
Total imports.. . . .	341,994	1,580,184	428,027	1,928,125
Canada.. . . .	264,511	1,237,269	266,001	1,209,658
Switzerland.. . . .	62,910	280,798	84,666	379,017
<b>Copper, Electrolytic Unwrought—</b>	Tons		Tons	
Total imports.. . . .	117,070	4,770,861	142,687	9,117,342
Canada.. . . .	69,237	2,812,630	72,622	4,561,675
United States.. . . .	18,774	778,075	38,752	2,516,191
Australia.. . . .	2,651	106,218	....	....
<b>Pig Lead—</b>				
Total imports.. . . .	268,242	4,425,460	257,243	6,721,221
Canada.. . . .	69,350	1,148,319	71,505	1,897,909
Australia.. . . .	137,398	2,275,783	116,979	3,056,556
<b>Nickel—</b>	Cwts.		Cwts.	
Total imports.. . . .	164,525	1,587,407	258,575	2,311,187
Canada.. . . .	134,958	1,299,009	219,841	1,961,269
<b>Zinc or Spelter, Unwrought—</b>	Tons		Tons	
Total imports.. . . .	119,863	1,883,993	128,130	3,216,671
Canada.. . . .	79,021	1,235,740	55,652	1,387,423
Australia.. . . .	14,350	228,192	10,020	255,475



*Imports of Certain Products into the United Kingdom—Continued*

	1936		1937	
	Quantity	Value	Quantity	Value
<i>Leather, Dressed, Box and Willow Calf—</i>	Cwts.	£	Cwts.	£
Total imports.. . . .	36,162	1,264,703	26,443	945,318
Canada.. . . .	7,779	367,451	5,120	258,054
Germany.. . . .	8,373	290,218	5,041	143,422
Netherlands.. . . .	3,814	154,167	1,533	68,116
Hungary.. . . .	4,138	139,054	1,876	60,511
<i>Leather, Patent, Varnished, Japanned and Enamelled—</i>				
Total imports.. . . .	8,935	239,806	10,607	351,509
Canada.. . . .	6,786	178,524	7,901	259,216
United States.. . . .	1,007	30,265	1,686	58,960
Germany.. . . .	338	12,002	164	8,912
<i>Motor Cars—</i>	Number		Number	
Total imports.. . . .	7,333	1,339,376	13,433	1,730,248
Canada.. . . .	1,524	353,961	1,481	368,151
United States.. . . .	5,157	892,309	4,627	855,994
France.. . . .	300	28,152	716	49,777
<i>Rubber Boots and Shoes (not made to cover the ankle)—</i>	Doz. Pairs		Doz. Pairs	
Total imports.. . . .	510,552	415,836	510,894	377,173
Canada.. . . .	204,266	224,983	144,354	169,822
Hong Kong.. . . .	258,181	145,717	328,167	155,101
<i>Rubber Boots and Shoes (made to cover the ankle)—</i>				
Total imports.. . . .	152,598	355,843	203,283	475,673
Canada.. . . .	143,858	334,182	191,881	452,105
<i>Newsprint in Rolls—</i>	Cwts.		Cwts.	
Total imports.. . . .	6,115,743	2,670,950	6,456,267	2,776,475
Canada.. . . .	2,003,018	836,419	2,055,494	873,251
Newfoundland.. . . .	2,441,138	1,148,408	2,627,325	1,162,760
Finland.. . . .	1,119,907	463,350	1,202,327	498,377
Norway.. . . .	251,615	107,138	313,196	137,559
Sweden.. . . .	293,355	112,565	245,578	98,106
<i>Cardboard and Millboard (other than wallboards)—</i>				
Total imports.. . . .	1,965,495	1,359,380	2,376,417	1,702,188
Canada.. . . .	325,266	223,229	326,372	235,961
Germany.. . . .	385,636	302,607	465,363	381,229
Sweden.. . . .	438,576	322,066	551,386	407,026
Finland.. . . .	469,495	242,611	613,171	345,303
<i>Wood and Timber, Sawn, Hard, Not Planed or Dressed—</i>	1,000 Cu. Ft.		1,000 Cu. Ft.	
Total imports.. . . .	15,929	2,087,620	19,947	2,787,006
Canada.. . . .	4,943	506,042	6,430	727,884
Poland.. . . .	1,318	155,629	1,512	185,988
United States.. . . .	4,261	658,970	4,524	780,624
<i>Wood and Timber, Sawn, Soft, not Planed or Dressed—</i>	Standards		Standards	
Total imports.. . . .	1,392,495	15,202,364	1,453,396	21,473,884
Canada.. . . .	207,053	2,599,045	275,939	4,084,441
Soviet Union.. . . .	300,111	3,379,164	303,065	4,973,747
Finland.. . . .	399,875	3,931,281	325,066	4,469,139
Sweden.. . . .	194,526	1,922,107	184,989	2,601,533
Poland.. . . .	161,461	1,563,068	165,044	2,223,904
United States.. . . .	40,186	902,314	35,960	944,448
<i>Wood and Timber, Sawn, Soft, Planed or Dressed—</i>				
Total imports.. . . .	231,490	2,971,182	235,452	3,977,446
Canada.. . . .	54,247	651,470	87,831	1,338,876
Sweden.. . . .	106,314	1,400,554	93,824	1,667,361
Finland.. . . .	35,898	430,111	23,763	403,381
<i>Railway Sleepers of all kinds—</i>				
Total imports.. . . .	58,166	606,038	96,559	1,453,062
Canada.. . . .	9,432	95,423	22,431	292,297
Soviet Union.. . . .	13,084	115,733	16,006	218,455
Latvia.. . . .	11,543	124,360	17,897	269,535
Poland.. . . .	20,278	228,475	34,593	582,577
<i>Manufactures of Wood and Timber—</i>				
Total imports.. . . .		5,566,657		6,201,741
Canada.. . . .		577,111		471,473
Finland.. . . .		937,958		1,168,200
Soviet Union.. . . .		684,813		812,954

*Imports of Certain Products into the United Kingdom—Concluded*

	1936		1937	
	Quantity Tons	Value £	Quantity Tons	Value £
<i>Pulp of Wood, Mechanical, Wet—</i>				
Total imports. . . . .	914,939	2,016,611	536,076	2,618,174
Canada . . . . .	16,948	40,057	15,234	88,818
Sweden . . . . .	271,994	614,512	170,748	821,193
Finland . . . . .	327,217	698,415	163,611	748,209
Norway . . . . .	288,958	643,875	183,752	945,357

## BRITISH EXPORTS TO CANADA

That British manufacturers have been able to expand their sales in the Canadian market is shown by the tables of exports which are included in the returns. A summary has been prepared, and is appended, giving the total exports and the values of shipments to Canada of the most representative products of British industry. The corresponding figures for the first nine months of last year are included, in order to afford an idea of the extent of the increases.

	1936		1937	
	Quantity Tons	Value £	Quantity Tons	Value £
<i>Coal—</i>				
Total exports . . . . .	25,419,948	21,475,123	29,881,638	27,471,041
Canada . . . . .	1,045,394	1,365,065	831,257	1,105,858
<i>Pottery, Glass Abrasives, etc.—</i>				
Total exports . . . . .		6,365,275		7,371,810
Canada . . . . .		727,278		887,500
<i>Iron and Steel and Manufactures thereof—</i>				
Total exports. . . . .	1,613,427	26,143,792	1,976,858	35,478,552
Canada . . . . .	107,778	2,015,213	126,874	2,847,577
<i>Non-Ferrous Metals and Manufactures thereof—</i>				
Total exports . . . . .		9,176,551		11,455,463
Canada . . . . .		277,997		374,843
<i>Cutlery, Hardware, Implements and Instruments—</i>				
Total exports . . . . .		5,945,149		7,124,100
Canada . . . . .		263,081		300,715
<i>Machinery—</i>				
Total exports . . . . .	283,877	30,300,351	316,974	35,396,398
Canada . . . . .	5,799	749,088	7,356	1,022,831
<i>Cotton Manufactures (except Apparel and Embroidery)—</i>	Thous. Sq. Yds.		Thous. Sq. Yds.	
Total exports . . . . .	1,414,572	29,550,234	1,476,450	33,918,962
Canada . . . . .	53,940	976,545	57,714	1,064,990
<i>Woollen and Worsted Yarns and Manufactures—</i>				
Total exports . . . . .		24,367,550		27,627,077
Canada . . . . .		2,816,241		3,426,616
<i>Tissues of Artificial Silk (including Staple Fibre and Waste)—</i>	Sq. Yds.		Sq. Yds.	
Total exports . . . . .	29,628,102	1,245,832	28,985,125	1,252,339
Canada . . . . .	1,360,066	71,674	1,848,005	94,356
<i>Manufactures of other Textile Materials (mainly Linen, Jute and Hemp)—</i>				
Total exports . . . . .		12,686,362		15,483,448
Canada . . . . .		1,286,603		1,560,002
<i>Apparel—</i>				
Total exports . . . . .		8,845,621		9,431,812
Canada . . . . .		528,027		569,537
<i>Chemicals, Drugs, Dyes and Colours—</i>				
Total exports . . . . .		15,427,686		18,650,015
Canada . . . . .		822,587		885,935
<i>Leather and Manufactures thereof—</i>				
Total exports . . . . .		3,030,150		4,049,759
Canada . . . . .		188,263		337,969
<i>Paper, Cardboard, etc.—</i>				
Total exports . . . . .		4,855,709		5,880,931
Canada . . . . .		187,251		225,056
<i>Vehicles (including Locomotives, Ships and Aircraft)—</i>				
Total exports. . . . .		23,194,769		28,611,123
Canada . . . . .		342,884		579,189
<i>Miscellaneous Articles wholly or mainly manufactured—</i>				
Total exports . . . . .		18,194,816		21,368,678
Canada . . . . .		838,325		1,059,282



## SUMMARY OF THE TRADE OF CANADA: MONTH, NINE MONTHS, AND TWELVE MONTHS ENDING SEPTEMBER, 1937

(Compiled by External Trade Branch, Dominion Bureau of Statistics)

Main Groups	Month of September, 1937				Nine months ending September, 1937				Twelve months ending September, 1937			
	Total Imports	From United Kingdom	From United States		Total Imports	From United Kingdom	From United States		Total Imports	From United Kingdom	From United States	
	\$	\$	\$		\$	\$	\$		\$	\$	\$	
<i>Imports for consumption</i>												
Agricultural and Vegetable Products.....	13,818,511	1,568,756	3,373,251		104,630,029	13,928,635	32,479,737		145,994,987	19,134,516	41,420,758	
Animals and Animal Products.....	2,188,357	478,439	916,866		24,337,075	4,795,793	10,007,306		31,049,714	6,220,046	12,602,110	
Fibres, Textiles and Textile Products.....	8,386,416	4,581,668	2,234,403		89,361,988	2,234,158	28,947,470		116,537,501	51,787,729	41,018,096	
Wood, Wood Products and Paper.....	2,982,566	344,731	2,398,815		24,708,952	2,913,742	19,993,947		32,412,990	3,991,549	26,029,238	
Iron and its Products.....	17,507,154	2,716,594	14,161,655		156,341,288	21,460,489	130,082,074		27,548,573	159,364,141		
Non-Ferrous Metals and their Products.....	3,853,100	487,572	2,451,574		34,227,279	5,355,064	23,137,741		493,267,194	7,029,960	29,368,919	
Non-Metallic Minerals and their Products.....	1,007,487	1,255,649	10,885,266		97,876,051	9,477,081	75,232,920		131,625,347	12,911,683	100,361,776	
Chemicals and Allied Products.....	3,002,545	1,577,392	1,960,287		26,715,838	5,470,071	16,641,360		7,618,767	21,754,263		
Miscellaneous Commodities.....	4,523,862	676,016	3,249,345		34,759,513	5,219,867	25,024,371		46,942,172	7,150,489	33,774,419	
Total Imports, 1937.....	70,240,465	12,686,747	31,631,462		593,018,033	109,832,900	261,547,426		777,342,504	143,393,312	465,693,790	
1936.....	52,982,972	10,905,743	29,753,881		450,866,373	89,430,693	265,709,941		584,583,290	121,082,350	345,583,526	
1935.....	44,689,463	9,729,408	24,195,166		403,036,316	85,018,570	232,563,255		539,256,521	115,852,732	307,716,012	
<i>Exports (Canadian Produce)</i>												
Agricultural and Vegetable Products.....	17,075,987	11,315,533	2,725,693		164,830,199	95,114,262	28,118,469		299,954,853	174,782,944	58,244,533	
Animals and Animal Products.....	12,061,087	7,208,097	3,799,725		110,181,981	59,120,314	39,883,601		145,707,665	80,140,358	50,148,300	
Fibres, Textiles and Textile Products.....	1,263,754	2,666,962	3,223,229		11,042,023	2,520,078	2,259,120		14,316,970	3,055,175	3,135,912	
Wood, Wood Products and Paper.....	26,245,957	4,895,948	17,185,959		193,448,786	30,881,557	133,699,667		254,838,528	41,836,819	174,792,728	
Iron and its Products.....	4,808,732	903,493	700,460		50,336,254	5,700,578	64,316,946		41,991,941	7,445,821	7,445,821	
Non-Ferrous Metals and their Products.....	26,917,536	7,723,705	16,089,003		229,895,399	73,842,576	119,198,420		293,986,065	90,915,588	156,686,225	
Non-Metallic Minerals and their Products.....	2,630,011	301,032	1,623,135		22,624,337	2,082,237	14,831,965		30,543,932	2,898,769	19,744,880	
Chemicals and Allied Products.....	1,498,989	321,226	1,450,420		16,895,124	3,838,329	8,014,332		21,726,989	5,085,750	9,895,993	
Miscellaneous Commodities.....	1,649,894	250,406	1,108,259		13,328,838	2,891,614	7,536,222		17,285,425	3,421,554	9,899,553	
Totals, 1937.....	94,151,927	33,189,307	43,995,883		812,632,961	281,367,601	359,242,374		1,142,677,373	417,128,898	490,033,945	
1936.....	88,894,179	27,164,071	33,120,686		695,181,023	264,069,688	275,872,906		947,269,050	374,534,618	380,080,875	
1935.....	77,238,615	25,537,322	38,603,286		593,175,187	196,132,112	254,361,857		780,961,262	285,294,166	340,089,152	
<i>Exports (Foreign Produce)</i>												
Totals, 1937.....	1,064,221	102,371	881,316		11,871,648	1,087,142	9,888,742		17,102,801	1,278,047	14,559,531	
1936.....	688,219	36,393	867,888		7,465,366	697,486	6,211,003		11,009,077	929,866	9,924,899	
1935.....	1,587,227	34,953	1,499,861		8,915,234	584,942	7,820,863		10,577,928	739,384	9,112,669	
<i>Excess of Imports (i) or all Exports (e)</i>												
Totals, 1937.....	(e) 24,975,683	(e) 20,604,861	(e) 3,245,737		(e) 231,486,576	(e) 172,571,943	(e) 7,583,690		(e) 382,437,670	(e) 275,013,633	(e) 38,899,756	
1936.....	(e) 36,599,426	(e) 26,315,821	(e) 5,934,793		(e) 241,760,016	(e) 175,336,481	(e) 16,374,000		(e) 360,734,419	(e) 254,082,134	(e) 44,442,484	
1935.....	(e) 34,156,379	(e) 15,842,869	(e) 15,907,981		(e) 169,054,109	(e) 111,698,484	(e) 29,619,405		(e) 252,282,569	(e) 170,233,818	(e) 41,486,809	

## TRADE COMMISSIONERS ON TOUR

Mr. B. C. Butler, Canadian Trade Commissioner in Singapore, Straits Settlements (whose territory covers the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India), and Mr. J. H. English, Canadian Trade Commissioner in London, England, are at present on tour in the interests of Canadian trade with their respective territories. Their itineraries are as follows:—

### Mr. Butler

Owen Sound and Goderich..	Nov. 8 and 9	Guelph . . . . .	Nov. 24
Windsor . . . . .	Nov. 10 to 12	Hamilton . . . . .	Nov. 25 to 27
Tecumseh, Essex and Chatham . . . . .	Nov. 13	St. Catharines and Niagara Falls . . . . .	Nov. 29 and 30
London . . . . .	Nov. 15 to 18	Oakville, New Toronto and Weston . . . . .	Dec. 1 and 2
Brantford and Galt . . . .	Nov. 19 and 20	Toronto . . . . .	Dec. 3 to 18
Kitchener . . . . .	Nov. 22 and 23		

### Mr. English

Niagara Falls . . . . .	Nov. 8	Charlottetown . . . . .	Nov. 25
Hamilton and district . . .	Nov. 9 and 10	Halifax . . . . .	Nov. 27 and 29
Guelph . . . . .	Nov. 12	Annapolis Valley . . . . .	Nov. 30 and Dec. 1
Kitchener . . . . .	Nov. 15 and 16	St. John . . . . .	Dec. 2
Windsor . . . . .	Nov. 17	Sherbrooke . . . . .	Dec. 3
London . . . . .	Nov. 18 and 19	Montreal . . . . .	Dec. 4 to 23
Quebec . . . . .	Nov. 22		

Firms who wish to be brought in touch with the Trade Commissioners should communicate, for Toronto, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres with the respective Board of Trade or Chamber of Commerce.

## CANADA'S DOMESTIC EXPORTS TO THE UNITED STATES: ERRATA

In the table published in *Commercial Intelligence Journal* No. 1760 (October 23, 1937), showing Canada's domestic exports to the United States for September and the nine months ended September, 1936 and 1937, of principal commodities affected by the Canada-United States Trade Agreement, certain errors appeared under the headings "Non-ferrous Metals and Products" and "Non-metallic Minerals and Products," page 715. The correct figures are as follows:—

### CANADA'S DOMESTIC EXPORTS TO THE UNITED STATES OF PRINCIPAL COMMODITIES AFFECTED BY THE CANADA-UNITED STATES TRADE AGREEMENT

Commodities	Month of September				Nine Months ended September			
	1936		1937		1936		1937	
	Q'n'ty	Value	Q'n'ty	Value	Q'n'ty	Value	Q'n'ty	Value
<b>NON-FERROUS METALS AND PRODUCTS</b>								
Nickel in matte or speiss.....Cwt.	15,758	283,691	21,134	380,413	92,466	1,664,251	112,782	2,029,408
Nickel in oxide.....Cwt.	2,761	57,795	1,077	20,599	14,698	296,405	15,925	318,363
<b>NON-METALLIC MINERALS AND PRODUCTS</b>								
Abrasives, artificial, crude....Cwt.	130,584	352,443	160,034	446,461	1,069,772	2,783,539	1,551,905	4,142,891
Asbestos.....Ton	6,200	328,964	8,938	448,809	53,605	2,812,259	70,962	3,874,042



## TENDERS FOR SUPPLIES FOR GOVERNMENT HOSPITALS IN WESTERN AUSTRALIA

Mr. Frederick Palmer, Canadian Trade Commissioner in Melbourne, under date September 28, reports that the Department of Public Health of the Government of Western Australia would like to receive tenders for supplies of materials required by government hospitals in the State of Western Australia.

Forms under which tenders might be submitted, which include lists of supplies on which tenders are required, have been received and may be consulted by interested Canadian exporters on application to the Department of Trade and Commerce, Ottawa, quoting file No. 31345.

The closing date for submitting tenders at the time of writing was November 18, 1937, but the Department of Public Health of the Government of Western Australia advises that tenders from Canada would receive consideration even if they arrived after the date fixed for closing.

Canadian exporters should be interested in these tenders with a view to quoting in future years. It is also suggested that Canadian exporters interested in Western Australia should be represented in that State by local agents. The Canadian Trade Commissioner in Melbourne would be pleased to suggest the names of suitable representatives.

## MARKET FOR LEAF TOBACCO IN JAMAICA

F. L. CASSERLY, ACTING TRADE COMMISSIONER

Kingston, Jamaica, October 12, 1937.—The prospects of business in Jamaica for Canadian leaf tobacco are now moderately fair. Continuance of this situation will depend not only upon competition from other supplying countries but also upon the outcome of a scheme lately launched by the Government to develop a tobacco-growing industry in Jamaica.

### DOMESTIC INDUSTRY

Work under the scheme to develop domestic production, begun in July, 1936, will be spread over three years. The colonial estimates for the current fiscal year (ending March 31, 1938) contain a provision of £3,080 of loan expenditure on tobacco cultivation and an explanatory note that a further £4,500 will be needed to complete the plan. The £3,080 includes provision for the salaries of a tobacco specialist (who has been in Jamaica for some time past) and his assistants; also for travelling, materials and implements, labour and wages, transport of suckers and crop, and some minor items. A grading and fermenting station has been provided at a cost of £2,000, which was paid for in the first instance by an advance from current revenue and is being charged against the loan expenditure.

By the end of the current fiscal year, therefore, £5,080 will have been disbursed on the scheme, which also includes the establishment of experimental plots, the teaching of up-to-date methods of cultivation, and the furnishing of advice and assistance as to marketing in the United Kingdom, which is the export field in view. Before being shipped, the tobacco must be passed by government inspectors.

### TYPES GROWN

The tobacco at present being grown is of the Cuban (Havana) cigar type, used chiefly for fillers and wrappers. Experiments are being conducted with a view to producing a better grade of wrapper, of which relatively small quantities are now cultivated. It is planned, too, to experiment in the growing of Virginia

leaf for making cigarettes; and the somewhat crude output of small cultivators may be handled for export as pipe or plug tobacco if the cure should prove satisfactory.

The indigenous type—a familiar sight in all the public markets—is the “poor man’s smoke.” It has been produced in Jamaica for generations and is colloquially known as “jackass rope,” because it is made into rope and sold either by the coil or by the yard. It is sliced like a sausage, rolled between the palms, and smoked in pipes. The quality varies; some of it, especially if treated with rum, gives quite a satisfying smoke. Sometimes it is blended with imported brands.

#### ACREAGE PLANTED

The Government’s experimental plots cover 6 acres so far. Last year private growers put into cultivation about 200 acres under the Government scheme; this year they are expected to put in a further 200 acres. The output will be shipped to England. At present about 900 acres are planted in tobacco, exclusive of the rope-tobacco type, of which the acreage is believed to be almost as large. Included in the 900 acres are about 200 owned or controlled by a branch of a world-wide tobacco-manufacturing organization, 300 belonging to persons who have made contracts with the Government under the scheme, 100 to independent and non-contracting participants in the latter, 100 to other cultivators of sizeable quantities, and 200 to numerous owners of small plots.

Production of cigar leaf last season exceeded 300,000 pounds, which is considered somewhat above normal. Cigar leaf is harvested between February and May, and other types almost throughout the year. The crop is heaviest from January to July. At the next harvesting of cigar leaf the Government’s scheme is expected to yield about 300,000 pounds. No estimates are available with regard to the output of Virginia and “rope tobacco” (also known as “Creole”). Little Virginia leaf is grown as yet.

#### IMPORTS OF LEAF TOBACCO

Cigar wrappers and cigarette tobacco are imported into Jamaica for the use of the local manufacturing industry, which produces per month about 450,000 cigars and from 20,000,000 to 25,000,000 cigarettes. Virginia leaf is used to make cigarettes; hitherto some of it has been packed in hogsheads of 900 pounds each, but recently cases of 480 pounds have been used. Lately Rhodesian leaf has been imported in substantial quantities, and its flavour is liked by smokers; this tobacco is wrapped in heavy paper and burlap and put up in bales of 220 pounds.

Until recent years the United States was practically the sole supplier of Virginia leaf, then Canada obtained a share of the trade, and Rhodesia is the latest supplier. American Virginia leaf has been established in the market for so many years and its flavour is so well known and liked that it still predominates, as the import statistics show.

In the calendar year 1936 imports of leaf tobacco into Jamaica, other than those of cigar wrappers, totalled 480,602 pounds valued at £23,939 c.i.f., of which the United States supplied 260,847 pounds (£17,181); Southern Rhodesia, 133,163 pounds (£3,216); and Canada, 86,341 pounds (£3,522). In the six months ending June 30, 1937, total imports of this kind (mostly for making cigarettes) were 330,237 pounds valued c.i.f. at £18,549, of which 206,129 pounds (£14,089) came from the United States, 99,990 pounds (£3,656) from Southern Rhodesia, and 24,118 pounds (£804) from Canada. The increased purchases over those of 1936 are attributable to better local demand for cigarettes following the recent improvement of economic conditions. Another cigarette factory has lately been established.



Total imports of cigar wrappers in 1936 were 29,819 pounds valued c.i.f. at £5,298, Holland supplying 28,286 pounds (£5,129); the Dutch East Indies, 1,016 pounds (£111); Sumatra, 338 pounds (£36); and Denmark, 179 pounds (£22). The imports from Holland originated mostly in the Dutch East Indies. In the six months ended June 30, 1937, total imports of cigar wrappers were 15,338 pounds valued at £2,621 c.i.f.: Holland 13,962 pounds (£2,495) and the Dutch East Indies 1,202 pounds (£104). Cigar fillers are not imported but are locally grown, chiefly by the largest firm of cigarmakers for their own use.

#### IMPORT DUTIES AND MARKET CONDITIONS

Cigar wrappers are free of duty irrespective of country of origin. Other leaf tobacco is dutiable, per pound, at 4s. 3d. under the British preferential tariff and 5s. 8d. under the general tariff. There is, besides, a tax of 1s. on every package, whencesoever imported. No quotas or other import restrictions are in force, nor is there any ban against transshipment of tobacco at a Jamaican port.

There is no information available concerning prices of Jamaican leaf tobacco or the quantities unsold and remaining in the country. It is reliably estimated that about one-quarter of the present year's total production of cigar leaf will be exported and the remainder used for local manufacture.

#### LUMBER IMPORTS INTO FRANCE

J. P. MANION, ASSISTANT COMMERCIAL ATTACHÉ

Paris, September 30, 1937.—Although the quota for imports of lumber into France has been changed from 1,700,000 tons to 1,100,000 tons, imports have decreased to much below the limitation imposed, due to reductions in construction work, use of substitutes for wood, and of veneers instead of whole woods.

#### IMPORTS AND EXPORTS

Imports of all forms of wood amount to about 1,200,000 tons a year, and their value in 1935 and 1936 was about 400,000,000 francs in each year, or at the rate of exchange then current, about \$27,000,000. This, however, includes large amounts of pulpwood, which is not under quota; exotic or special woods, which are not regulated; and such raw materials as staves for wine barrels and logs for veneers for use in the domestic industry.

On the other hand, France exported during each of these two years about 520,000 tons of wood, mostly pit props to Great Britain and Belgium, so that the net balance of imports is about 680,000 tons.

Of total French imports during each of the two years under review, the Colonies supplied 200,000 tons, and tropical woods from other countries amounted to an average of 55,000 tons. Imports of pulpwood amounted to 300,000 tons, so that only 645,000 tons, or about half the imports, were of interest to exporters of coniferous lumber.

Under usual circumstances nearly 50 per cent of the lumber requirements of France is imported. Rising costs and substitution of other materials have, however, reduced total consumption without affecting the quantity used of the cheaper construction woods produced in France. A tentative estimate, therefore, places the total annual imports at one-third of requirements, the remainder of the market being supplied by the domestic producers.

#### TYPES OF WOOD IMPORTED

Imports of wood into France in 1935, 1936, and the first half of 1937 are shown in the following tables. (Imports from the Colonies, since these are

tropical woods, and also imports of exotic woods from other sources, mostly tropical varieties, are not given.)

### *Imports of Wood by Countries*

	1935	1936	Jan.-June, 1937
	Figures in Metric Tons		
Russia .....	209,604	332,107	113,365
Finland .....	381,826	275,341	71,242
Sweden .....	137,605	115,411	68,977
Austria .....	24,916	29,750	35,445
Latvia .....	28,066	32,042	31,863
United States .....	36,462	32,654	22,605
Yugoslavia .....	10,886	16,348	11,481
Poland .....	32,141	19,758	11,065
Switzerland .....	5,400	13,838	11,006
Germany .....	30,200	12,152	7,527
Belgium .....	23,260	21,709	6,044
Roumania .....	19,993	14,519	6,024
Lithuania .....	9,959	9,845	5,412
Canada .....	11,398	6,125	751

Approximately 95.5 per cent of all imports of wood from temperate countries are of European production, the negligible remainder being allotted to Canada and the United States.

### *Imports of Principal Types of Lumber*

	1935	1936	Jan.-June, 1937
	Figures in Metric Tons		
Oak—			
Yugoslavia .....	2,313	2,346	2,440
United States .....	239	868	95
Coniferous Sawn Lumber—			
U.S.S.R. ....	106,058	126,607	59,390
Sweden .....	135,514	114,212	67,578
Finland .....	108,640	91,002	44,601
Latvia .....	12,603	13,190	11,551
Poland .....	24,124	17,040	9,789
Austria .....	19,690	24,897	25,667
Roumania .....	14,493	11,235	3,849
United States .....	8,803	4,190	2,415
Other countries .....	40,000	40,000	28,000
Oak Staves—			
U.S.S.R. ....	7,528	6,391	2,452
Yugoslavia .....	779	4,912	3,426
Poland .....	2,671	1,232	836
Roumania .....	2,206	1,449	658
United States .....	1,170	1,495	803
Other countries .....	20	32	657
Pit Props—			
Finland .....	61,753	59,778	11,991
Latvia .....	10,424	10,411	10,053
Germany .....	11,898	259	.....
Other countries .....	21,734	16,676	648
Pulpwood—			
Finland .....	204,495	119,734	7,942
U.S.S.R. ....	78,659	181,631	50,271
Canada .....	10,530	5,438	.....
Other countries .....	3,186	10,554	7,560

All but from 700 to 800 tons of imports from Canada for the years 1935, 1936, and the first half of 1937 were made up of pulpwood, whereas part of the imports from the United States are made up of Southern woods; similar woods are not obtainable in Canada.

### PULPWOOD

In the past, Canadian supplies to the French market have not conformed to the Finnish and Russian specifications of balsam-free shipments, hand-peeled, in lengths not more than 3 feet 9 inches and diameters of not more than



10 inches. If these specifications could be observed, there would be a large market in France for the Canadian product at about £5 10s. a fathom (216 cubic feet), c.i.f. French ports.

France has been able to obtain only 60,000 tons of pulpwood from Baltic sources so far this year, whereas her usual requirements are in the neighbourhood of 300,000 tons annually.

#### STRUCTURAL LUMBER

The bulk of the imports into France are softwoods for construction purposes. In this category Canada and the United States have difficulty in competing since Russian softwoods of good quality in dimensions of 6 inches by 3 inches sell c.i.f. French ports at about £19 a standard, while American Oregon pine sells for about £27 a standard. North American lumber cannot therefore be considered for any other purpose than finishing or decoration. (One standard equals approximately 2,000 feet board measure.)

#### FINISHING LUMBER

Wood is never used for shingling in France. In country districts flat slate-like stones or tiles, and in urban centres tiles of slate or copper are used for this purpose. Western red cedar is not imported in large quantities and is only used in France for the interior finish of drawers, sewing machines, anti-moth cupboards, and other furniture. Douglas fir and Oregon pine are also used for finishing, but so far Oregon pine has been the only wood of this kind imported, Canadian supplies being little known and considered more expensive.

Canadian firms who wish to be placed in touch with importers in France are invited to communicate with the Canadian Commercial Attaché, 3 rue Scribe, Paris (9e).

#### UNITED STATES QUOTAS

Although the United States obtained supplementary lumber quotas by their trade agreement with France of May 13, 1936, they have not even been able to use the whole of their ordinary quota up to the present time. Imports from the United States amounted to 24,643 tons of common wood and 11,819 tons of exotic wood in 1935; 26,285 tons of common and 6,369 tons of exotic in 1936; and for the first six months of 1937, 19,016 tons of common and 3,589 tons of exotic.

The common woods shipped by the United States include Western red cedar, redwood and sequoia, fir, hemlock, spruce, hickory in logs and deals, basswood, and possibly some birch. The exotic woods include walnut, tulipwood, and birch with special markings for unrolling into veneers.

#### SPECIAL WOODS

Some Canadian woods entering France are not affected by the quota restrictions, including birch logs, maple logs for unrolling into bird's-eye maple veneers, silver spruce for aviation, and hickory deals in usual ski-lengths. Interested Canadian exporters are invited to communicate with the Commercial Attaché at Paris, giving c.i.f. prices, and the extent to which they could supply the market, and stating whether or not they would like to establish contact with importers in France.

#### DUTIES

In addition to the tariff rates listed below there is a licence tax ranging from 3 francs per 220·4 pounds to 1·50 francs on imports under quota. The 8 per cent sales tax on all goods consumed in France must generally be paid

upon importation, though it may be paid by certain purchasers after they have completed the manufacture of the goods.

	Francs per 220.4 Lbs.
Logs . . . . .	8.80
Railway sleepers:	
Over 4 inches thick . . . . .	12.80
Under 4 inches thick . . . . .	14.00
Other lumber:	
Over 4 inches thick . . . . .	14.00
1½ inches to 4 inches . . . . .	16.40
Under 1½ inches . . . . .	21.00
Paving blocks . . . . .	23.30
Staves . . . . .	4.55
Splints . . . . .	18.60
Hoopwood and poles . . . . .	23.30
Pit props . . . . .	2.85

Price lists c.i.f. Le Havre and Bordeaux should be supplied. Quotations should generally be for logs or for lumber more than 4 inches thick, since these are in the lowest tariff brackets.

## PAPER INDUSTRY AND TRADE OF THE NETHERLANDS

J. A. LANGLEY, CANADIAN TRADE COMMISSIONER

(One metric ton equals 2,205 pounds; one florin or guilder equals Can.\$0.55 at current rate of exchange)

Rotterdam, September 28, 1937.—Preliminary figures issued by the Netherlands Central Bureau of Statistics indicate that the 1936 production of the principal varieties of paper was considerably higher than in preceding years, but an analysis of these figures shows that the increase was confined to two types of paper, newsprint and wrapping. However, as more detailed information is available in connection with the 1935 production and consumption of paper in Holland, it has been considered advisable to confine this review of the situation to that and the preceding two years, quoting when available the latest statistics for 1936, which are subject to revision.

### PRODUCTION

The following table gives the consumption of raw material and the production of all mills where paper is manufactured from pulp, rags or old paper, as well as the allied factories making pulp, cellulose and paper products:

	1933	1934	1935	1936
Manufacturers . . . . .No.	24	24	26	27
Production of paper . . . . .M. tons	189,300	193,500	202,600	215,000
Value . . . . .1,000 Fl.	22,000	20,500	20,600	27,000
Consumption of wood . . . . .M. tons	420,000	404,000	432,000	453,000
Other fibres . . . . .M. tons	104,000	107,100	112,600	134,000
Personnel . . . . .No.	5,480	5,480	5,590	5,529
Primary capacity of power plant . . .H.p.	115,600	115,600	141,300	.....

### PULP AND PULPWOOD CONSUMPTION

In keeping with the progress in the manufacture of paper, the domestic production of pulp shows an upward trend, although the industry is handicapped by a lack of domestic supplies of pulpwood, which makes it dependent on outside sources of supply. Actually the manufacture of pulp is confined to a number of mills operated by one company, the N. V. Vereenigde Koninklijke Papierfabrieken der Firma Van Gelder Zonen, of Amsterdam, which during 1936 consumed 371,721 cubic metres of pulpwood, the bulk of the pulp being used in their own plants and the surplus disposed of in the open market.



Total imports of timber for the manufacture of pulp amounted in 1936 to 371,721 cubic metres as against 384,482 in 1935, 537,782 in 1934, and 430,989 cubic metres in 1933.

Following are the sources of supply for imports in 1936: Russia, 282,840 cubic metres; Latvia, 54,503; Finland, 21,445; Canada, 9,406; and Belgium, 3,527 cubic metres.

#### IMPORTS OF PULP

In addition to pulp of their own manufacture, the mills in Holland use a considerable tonnage of imported pulp. In the official trade statistics pulp is shown under three headings: "mechanical," "chemical," and "sulphite wood cellulose." As regards the latter, it may be taken that it is consumed principally by the artificial silk yarn industry, but has been included in the following table in order to give a complete picture of the Netherlands trade.

#### *Statistics of Netherlands Imports of Wood-Pulp*

	Mechanical	Chemical	Sulphite Wood Cellulose
	Figures in Metric Tons		
1933 .....	15,051	5,904	72,548
1934 .....	12,452	10,970	68,273
1935 .....	27,012	17,731	70,207
1936 .....	22,652	22,276	83,990

#### *Sources of Supply of Imports in 1936*

	Mechanical	Chemical	Sulphite Wood Cellulose
	Figures in Metric Tons		
Sweden .....	2,093	19,650	22,966
Norway .....	18,422	200	13,625
Germany .....	.....	.....	17,784
Canada .....	.....	.....	5,762
Finland .....	1,350	2,227	18,152
Belgium .....	787	.....	3,893
Others .....	.....	199	1,808

#### PRINCIPAL PRODUCTS OF NETHERLANDS PAPER MILLS

The Netherlands mills are engaged principally in the manufacture of printing paper, especially newsprint, the output of which averages annually about 40 per cent of the total production; wood-free printing and writing papers—in which cardboard is included—account for another 22 per cent; all kinds of wrapping paper make up 35 per cent; the remainder is accounted for by the manufacture of paper from rags and by a small production of paper products.

The following table gives the production figures for the three important kinds of paper, together with the value and sales made by Netherlands mills:—

Type of Paper	1933	1934	1935
<b>Newsprint—</b>			
Production .....	M. tons		
Value .....	1,000 fl.		
Value of sales .....	1,000 fl.		
<b>Wood-free Printing, Writing and Cardboard—</b>			
Production .....	M. tons		
Value .....	1,000 fl.		
Value of sales .....	1,000 fl.		
<b>All Kinds of Wrapping Paper—</b>			
Production .....	M. tons		
Value .....	1,000 fl.		
Value of sales .....	1,000 fl.		
Total production of all papers .....	1,000 fl.		
Total sales by mills .....	1,000 fl.		

The above figures show that in 1935 the total production of the principal varieties of paper increased by 9,071 metric tons over that of the preceding year,

with an increase in the production value of fl. 153,000 and fl. 487,000 in the value of the sales by the mills. An analysis of the production figures shows that the principal increase took place in the manufacture of wrapping paper, which shows an increase of approximately 8,000 metric tons when compared with the previous year, whereas in 1934 the increased production was confined to newsprint with 6,865 metric tons over the 1934 outturn.

The position of the industry during 1935 was more favourable than during the preceding year, which may be attributed to a larger domestic consumption of paper and to the benefits derived from import restrictions on all classes of paper except newsprint, which were brought into force on January 1, 1935. During the years 1933 to 1935 exports of various types of paper dropped from 42,800 metric tons to 35,500 metric tons in the face of an increased production. Imports, however, increased during this period by some 1,400 metric tons, which indicates a net advance in the sale of domestic paper of some 5,900 metric tons.

The following figures show the more favourable situation of the Netherlands in this trade:—

	1933	1934	1935
	Figures in Metric Tons		
Sales of principal papers.. . . .	189,300	191,500	202,400
Exports of domestic paper.. . . .	42,800	39,000	35,500
Netherlands products available for domestic markets.. . . .	146,500	152,500	166,900
Imports of all kinds of paper.. . . .	92,600	92,900	94,200
Total quantity available for domestic consumption .. . . .	239,100	245,400	261,100
Percentage of consumption of Netherlands manufacture . . . . .	61%	62%	64%

#### NEWSPRINT SITUATION

In the following table the approximate quantities of newsprint consumed in Holland in the years 1933 to 1936 are obtained by deducting exports from the total of production and imports. The production figures are those supplied by the Central Bureau of Statistics, while the import and export figures have been obtained from the official government returns. No particulars as to stocks held over from one year to another are available, but it may be assumed that these, if any, were very small.

	Production	Imports	Exports	Consumption
	Figures in Metric Tons			
1933.. . . .	76,873	25,404	13,490	88,787
1934.. . . .	83,738	19,806	12,015	91,529
1935.. . . .	84,559	21,474	9,983	96,050
1936.. . . .	83,231 <sup>1</sup>	13,165	9,156	89,240

<sup>1</sup> Preliminary figures subject to revision.

Imports of newsprint in 1936 were supplied by the following countries: Finland, 4,181 metric tons; Germany, 4,712; Norway, 2,225; Sweden, 1,414; others, 633 tons. Exports in the same year were as follows: Belgium, 4,128 tons; France, 4,899 tons; other countries, 129 tons.

According to official figures, 75 per cent of the newsprint consumed during the years 1933 to 1935 was of Netherlands origin, and if the total production had been retained in the country, the quantity would have been sufficient to meet 89 per cent of the domestic requirements.

#### DOMESTIC PRICE OF NEWSPRINT

Netherlands "smooth" newsprint in reels is being offered for 1938 delivery at fl. 10.60 per 100 kilos, which is equivalent to fl. 106 per metric ton or \$58.30 Canadian per long ton, the conversion having been made at present rate of exchange. This newsprint is free warehouse, and the price would allow little profitable competition from foreign sources of supply.



## IMPORT DUTIES

Below are given the rates of duty applying to the three principal varieties of paper with which this report deals. There are no preferences.

Newsprint is dutiable at the rate of 7 per cent ad valorem, plus a turnover tax of 4 per cent on the duty paid value when imported in rolls weighing 440 pounds or more; the weight of the reels is included in the weight on which the duty is assessed. When imported in rolls weighing less than 440 pounds, the duty is 11 per cent ad valorem, plus the turnover tax of 4 per cent on the duty paid value.

Pulpwood and pulp are subject to a duty of 1 per cent ad valorem. Pulpwood of Oregon pine or silver spruce, however, enters duty free.

## IMPORTS

Despite the production in Holland of over 215,000 metric tons of paper a year, there is a considerable demand for imported papers. Various grades of cardboard, wrapping and printing papers—mostly newsprint—account for by far the largest part of the tonnage obtained from foreign sources of supply, while writing, real parchment, greaseproof, felt, coated and wallpapers make up the greater part of the remainder.

The leading competition in the market is from continental countries, Great Britain, and the United States. The following table shows the imports of the principal papers into the Netherlands during the years 1933, 1934, 1935 and 1936:—

*Imports of Principal Papers into Holland*

	1933	1934	1935	1936
	Figures in Metric Tons			
Newsprint . . . . .	25,404	19,806	21,474	13,165
Printing, writing and cardboard . . . .	12,550	10,197	11,614	11,738
Printing and writing, woodfree . . . .	5,793	7,312	6,431	5,913
Cardboard (leather, wood, grey and other coloured boards) . . . . .	6,144	5,867	6,686	6,762
Wrapping and cardboard . . . . .	.....	25,422	25,124	22,331
Duplex, triplex and cardboard . . . .	.....	2,572	5,351	4,971
Real parchment . . . . .	1,609	1,307	1,539	1,629
Greaseproof paper . . . . .	2,155	4,525	2,093	2,728
Felt paper, impregnated . . . . .	.....	7,508	6,558	7,924
Felt paper, not impregnated . . . . .	.....	.....	874	971
Other felt paper . . . . .	.....	2,306	945	975
Sensitive paper . . . . .	267	244	257	284
Coated paper . . . . .	2,025	2,254	4,254	3,354
Wallpaper . . . . .	5,603	4,767	5,003	3,821
Fancy paper . . . . .	167	121	147	178
Carbon paper . . . . .	.....	.....	103	109
Toilet paper . . . . .	.....	825	896	714
Condenser paper . . . . .	.....	112	98	65
Cigarette paper . . . . .	.....	232	210	241
"Cellophane" . . . . .	183	258	293	267
Paper and cardboard n.o.p. . . . .	.....	4,693	4,076	4,805

## AGRICULTURAL SITUATION IN DENMARK

RICHARD GREW, CANADIAN TRADE COMMISSIONER

(One Danish krone equals 22 cents Canadian; one kilo equals 2.2 pounds; one metric ton equals 2,204 pounds)

Oslo, October 1, 1937.—The agricultural situation in Denmark is much improved as compared to a year ago. Prices for some of the leading export products are higher for this season of the year than they have been for a considerable time. Climatic conditions have been particularly favourable lately, with occasional showers during August, which provided sufficient moisture for

root crops and pasture, but for the most part the weather has been warm and dry, which facilitated the housing of harvest crops in good condition. Threshing results are not yet available, but it is anticipated that the yields will be considerably better than a year ago and may possibly approach the record figures of 1935.

### CROP PROSPECTS

According to the latest information available, the condition of the Danish crops as at September 1, as compared with the same date a year ago, was as follows, the figure 100 being considered a normal crop:—

#### *Crop Condition Index, September 1*

	The Islands		Jutland	
	1937	1936	1937	1936
Wheat.. . . .	96	92	91	86
Rye .. . . .	97	94	95	87
Barley .. . . .	100	87	101	74
Oats .. . . .	103	92	103	77
Meslin (barley and oats) .. . . .	100	90	103	77

With the exception of wheat and rye, indications are for considerably more than an average crop and a great improvement over the previous year. Production of grains in Denmark for the years 1935 and 1936 was as follows:—

#### *Danish Grain Production*

	1936	1935
	Metric Tons	
Wheat .. . . .	307,000	399,000
Rye .. . . .	199,000	284,000
Barley .. . . .	899,000	1,108,000
Oats .. . . .	837,000	1,042,000
Meslin (barley and oats) .. . . .	636,000	852,000

If the actual harvest is in line with present expectations, it will make a considerable difference to the economy of Denmark. Owing to the short crops in 1936, it was necessary to import considerable quantities of grains for feeding purposes. At the same time grain prices on the world markets were advancing, while prices for the principal Danish export commodities remained at the same level. As a result, the returns to Danish producers were reduced.

This year, however, the outlook is considerably brighter with the prospect of a much better harvest and a consequently smaller import requirement, and in addition export prices for butter and eggs have shown a more than seasonal advance. Bacon prices, however, have not reacted in the same manner, and export prices are somewhat lower than in the previous year.

### BACON INDUSTRY

According to recent figures, the number of pigs in Denmark on August 28 of this year totalled 3,167,000 as compared to 3,496,000 in July of last year and 3,036,000 in July, 1935. For the first six months of 1937 the total killings of pigs at the export slaughter house amounted to 2,189,516 as compared with 2,085,755 for the same period of last year, an increase of over 103,000.

There are two general classes of pigs in Denmark, namely those with pig cards and those without. The pig cards are distributed by the Ministry of Agriculture to the producers, and pigs for the English, German, and domestic markets must have one of these special cards. Prices for pigs with cards are higher, as the quality is superior. The average weekly quotations per kilogram during August, 1937, for first-class pigs, with and without cards, were 1·85 kroner and 1·55 to 1·70 kroner respectively as compared with 1·76 kroner and 1·30 to 1·70 kroner respectively in the same month of 1936. These prices are for the killed weight, which includes the head and feet.



For the first eight months of 1936 the average of the weekly quotations for pigs of the first class with cards was 171 kroner per 100 kilos as compared to 174 kroner per 100 kilos during the same period of 1937. The average quotation for La Plata maize for the first eight months of 1936 was 13.82 kroner per 100 kilos, while in 1937 the quotation was 14.32 kroner per 100 kilos. On the basis of these figures it is computed that the comparative hog-to-feed ratio was 12 to 37 in 1936 and 12 to 15 in 1937.

#### EXPORTS

The following table shows the quantity of bacon and pork exported from Denmark from January 1 to September 12, 1937 and 1936, as well as exports for the years 1936 and 1935 and the average annual exports for the period 1932 to 1936, together with countries of destination:—

	Jan. 1-Sept. 12 1937	Jan. 1-Sept. 12 1936	1936	1935	Average 1932-36
	M. Tons	M. Tons	M. Tons	M. Tons	M. Tons
United Kingdom . . . . .	124,716	125,166	174,326	196,913	251,485
Germany . . . . .	1,475	1,112	1,633	1,167	1,180
Belgium . . . . .	1	23	24	1,174	1,102
Italy . . . . .	595	.....	.....	5	2,335
Others . . . . .	452	297	340	422	545
Total . . . . .	127,239	126,598	176,323	199,681	256,647

As compared to the same period of 1936, exports of bacon and pork to the United Kingdom have shown a slight decline during 1937, although the total exports are somewhat higher. If the present rate of exports is maintained for the balance of the year, the total quantity exported will show a slight increase over 1936, but not equal to the 1935 figures and considerably below the average for the 1932-36 period. Prices, however, have been somewhat better during the past two months and, although the value of exports for the January-to-July period amounted to 206,200,000 kroner—exactly the same as a year ago for the same period—it is expected that, when values are available for August and September, a considerable increase will be shown as compared with the 1936 period, as the average quotation for bacon during August, 1937, is 9 kroner per 100 kilos higher than in August, 1936.

#### DAIRY PRODUCTION

Recent statistics are not available for the production of butter in Denmark, but for the fiscal year ended March 31, 1937, the output was 182,000,000 kilos as compared to 169,000,000 kilos for the previous period, an increase of 13,000,000 kilos. For the calendar year 1936 the production of cheese totalled 33,200,000 kilos as against 29,000,000 kilos in 1935.

The following table shows the results of a recent census of the number of cattle in Denmark:—

	July 17, 1937	Jan. 2, 1937	July 18, 1936	Dec. 28, 1935	July 13, 1935
	Thousands of Head				
Oxen . . . . .	63	65	64	64	63
Bulls . . . . .	81	70	68	51	50
Cows and heifers which have calved . . . . .	574	1,601	1,610	1,658	1,646
Heifers which have not calved . . . . .	600	538	580	494	529
Calves . . . . .	761	798	785	796	781
Total . . . . .	3,079	3,072	3,107	3,063	3,069

#### PRICES

The average quotation for butter in August, 1937, expressed in kroner per 100 kilos, was 225 kroner as compared with 226 kroner in August, 1936, and 187 kroner in the same month of 1935.

During the past few months butter merchants are paying an additional 6 kroner per 100 kilos to the creameries. The creameries pay the farmers for their milk according to the quantity of milk delivered, fat percentage, cleanliness, and the Copenhagen butter quotation.

The domestic wholesale price of butter in August, 1937, was 250 kroner per 100 kilos as compared to 242 kroner per 100 kilos in August, 1936. In the previous year the wholesale domestic butter price was the Copenhagen butter quotation plus 10 kroner per 100 kilos. For 1937, however, a special price has been fixed.

The price of cheese with 45 per cent of fat in the dry matter was 95 to 115 kroner per 100 kilos in August, 1937, as compared with 105 to 110 kroner in the same month of the preceding year.

#### EXPORTS

In the following table is shown the quantity in metric tons of butter exported from Denmark for the period January 1 to September 12, 1936 and 1937, and for the calendar years 1935 and 1936, as well as the average for the last five-year period, together with countries of purchase:—

	Jan. 1-Sept. 12 1937	Jan. 1-Sept. 12 1936	1936	1935	Average 1932-36
	M. Tons	M. Tons	M. Tons	M. Tons	M. Tons
United Kingdom . . . .	84,235	77,675	109,727	109,400	119,769
Germany . . . . .	23,844	24,784	34,277	25,022	21,753
Belgium . . . . .	601	446	619	1,364	4,189
France . . . . .	168	464	498	353	1,134
Switzerland . . . . .	264	154	237	43	517
Czechoslovakia . . . .	88	10	10	404	175
United States . . . .	28	5	6	612	161
Others . . . . .	766	577	831	1,158	882
Total . . . . .	109,994	104,115	146,205	138,356	148,580

Exports are slightly more than 5,000 tons in advance of the previous year, and if the present rate of export is maintained for the balance of the year, exports would amount to roughly 157,000 tons, which is well above the figures for either 1935 or 1936 and almost 9,000 tons higher than the five-year average. Pasturage has been extraordinarily good during the past summer, which should tend to maintain the production at a high level.

From the point of view of value, exports have increased by 10,000,000 kroner, the value for the January-to-July period being 195,000,000 kroner as compared to 185,000,000 kroner for the same period of the previous year.

### CROP REPORTS FOR THE SCANDINAVIAN COUNTRIES

RICHARD GREW, CANADIAN TRADE COMMISSIONER

#### Norway

Oslo, October 15, 1937.—According to the September report of the Norwegian Director of Agriculture, the harvesting of the grain and potato crops has, on the whole, taken place under favourable weather conditions throughout the country. The total hay crop for the whole country was unusually heavy this year, amounting to 2,579,294 metric tons or 113 per cent of an average year for hay from cultivated fields, and 365,786 tons or 106 per cent of an average year in the case of hay from natural fields. In the southern districts, however, the quality was somewhat uneven as a result of the frequent showers experienced during the harvesting.

The grain crops have now been harvested throughout the country, and the quality is reported to be exceptionally good. As regards quantity, the wheat crop totalled 68,691 metric tons or 106 per cent of an average year, the rye crop



11,809 tons or 99 per cent, barley 129,905 tons or 103 per cent, oats 193,246 tons or 107 per cent, and mixed grain 9,777 tons or 103 per cent of an average year. The potato crops were considerably retarded by the dry weather experienced in August, and are therefore reported to be somewhat uneven. The total potato crop is estimated at 912,125 metric tons or only 86 per cent of an average year. The other root crops also suffered somewhat from the drought, being estimated at 511,076 metric tons or 91 per cent of an average year for turnips, and at 242,067 tons or 97 per cent of an average yield in the case of swedes.

### Denmark

The crop report issued on September 15 by the Danish Department of Statistics covers only potatoes and other root crops, the final reports on grain and hay crops being included in the previous report issued at the end of August. The potato crop is reported to be satisfactory as regards quality, while the quantity is estimated at 92 per cent of an average year for Jutland and at 96 per cent in the case of the islands. As regards other root crops, the Jutland figures are: carrots and sugar beets, 94 per cent; ordinary beets, 92 per cent; turnips, 89 per cent; and swedes, 88 per cent of an average year. The figures for the islands are: sugar beets, 100 per cent; other beets, 97 per cent; carrots, 96 per cent; swedes, 95 per cent; and turnips, 93 per cent of an average year.

### Sweden

The September report of the Swedish Central Bureau of Statistics states that the weather conditions during that month were particularly favourable for the final harvesting of the grain crops, and actual crop figures for the whole country have now been published. The crop of autumn-sown wheat totalled 606,000 metric tons or slightly above medium; autumn-sown rye, 419,000 tons or medium; spring-sown wheat, 115,100 tons or medium; spring-sown rye, 12,400 tons or medium; barley, 195,300 tons or medium; oats, 1,255,200 tons or slightly above medium; and mixed grain, 554,900 tons or slightly above medium. As regards potatoes and other root crops, actual figures are not available, but these crops are described as being medium and slightly above medium respectively. The hay crop figures are the same as those published in the previous report, totalling 5,664,000 metric tons or well above medium for hay from cultivated fields and 597,000 tons or a medium crop in the case of hay from natural fields.

## ECONOMIC CONDITIONS IN MEXICO

R. T. YOUNG, CANADIAN TRADE COMMISSIONER

Mexico City, October 20, 1937.—The month of July, perhaps to a greater degree than the preceding six months, continued to disclose the uncertain general business conditions which have existed throughout the current year. Labour troubles, particularly strikes in the oil and textile industries, rising prices of necessities, and government assumption of control of various agricultural pursuits covering large areas of the country, have all tended to create an atmosphere of distrust and pessimism in contrast to the optimistic outlook which prevailed in January.

A slight increase in general sales was evident in July as compared with June, undoubtedly due to an improvement in the labour situation in the oil-fields during July, but compared to former years general business was not up to expectations. There appears to have been less inclination on the part of individuals to enter into business deals owing to lack of confidence in the outcome, thus restricting merchandise turnover. Speculative purchases of prime necessities have also

during the seven months shown a marked decrease in volume, with attending results.

Collections have shown a tendency to become more difficult, while banks appear to be much more conservative as regards loans, and are demanding payment at maturity, with a disinclination to grant new loans. These conditions are only natural under prevailing circumstances, so that the tension in bank credit has caused a certain amount of liquidation of stocks of merchandise that has not been reflected in prices, which in themselves have been affected by other stronger factors besides credit. Agricultural production has been far below normal for the summer, and autumn crops are not expected to prove much better.

On the other hand, continued private and government construction with wage increases has strengthened purchasing power, with a resultant increase of prices of all commodities and particularly of prime necessities. This has been most marked in the last six months.

### WEAKNESS IN SALES

Wholesale prices do not present a true picture of the situation, but retail prices, though no official records are available, may be taken as a true criterion of the situation. They show a much greater increase and indicate a rise of over 60 per cent from 1929 prices. The cost of edibles more than other articles of daily consumption such as clothing, rent, and amusement has shown a much greater increase. The present tendency is for people to cut down on the purchase of food, in view of the increased price. It is, however, possible that the point will be reached before long where they will not be able to reduce expenditures for such necessities any further, with the result that people will do with less purchases of clothes, move to cheaper residences, and spend less on recreation. The above factors undoubtedly account for the weakness in sales during June and July, and if the condition continues, which seems likely to be the case, a retrogressive effect on commercial activity will be the outcome in industry.

The labour difficulties, which became acute in the textile industry during the month of July, seriously affected production. The demand for textile goods tended to decrease, and large stocks which have accumulated in the warehouses are moving very slowly. In the wool textile factories, which have been working normally, stocks are also beginning to accumulate, and the artificial silk industry continues to operate under labour handicaps. Construction work proceeds with the same impetus as in the latter part of 1936 and at the beginning of the present year.

### INDUSTRY

The Federal Government is stated to be spending more than 9,000,000 pesos monthly on construction, to which must be added amounts being spent by the states and by individuals outside Mexico City. In the month of April steel production reached its highest point, but showed a decline in May, with a tendency to increase again in June, while the production of cement and other construction material is unable to keep pace with the demand. Deliveries on time are hampered by the accumulation of orders, but in other manufactures, such as doors, window frames, furniture and other wooden articles, manufacturing is in full swing. This situation is a result of the fact that construction work is at an extraordinarily high level, and the related industries have not the capacity of satisfying the demand, which in turn is cause for concern to those who have financed the projects. These construction programs in turn have increased the demand particularly for food, of which the supplies are becoming smaller for reasons already mentioned, with the natural reflections on price and ultimately on prosperity.



The consumption of rubber goods and motor car tires does not appear to have changed in recent months and, if anything, has shown a slight improvement in July. Shoe factories, like the textile mills, are beginning to encounter certain difficulties in placing their products, but provided no further difficulties arise between the owners and the labourers, their difficulties should be overcome. The trade and industrial activities of the country are beginning to feel changed market conditions, and while activity is still good, it is not as favourable as in the early part of the year and the future does not appear to be clear. High prices are tending to curtail purchasing power, and the prevailing uncertainty is causing middlemen to reduce orders which they were formerly placing with confidence.

## TRADE OF BRAZIL IN 1936

### A. DOS REIS CARNEIRO, OFFICE OF THE CANADIAN TRADE COMMISSIONER

(All tons in this report are metric tons. The average value of one conto—1,000,000 reis—in 1936 was \$58 for Brazilian imports and \$65.30 for Brazilian exports, as export values are calculated on the basis of 65 per cent free exchange and 35 per cent official exchange. The conversion rate for 1935 was \$57.60 to the conto.)

## II

### INTERNATIONAL TRADE—*Con.*

#### IMPORTS

There have also been increases in all classes of imports. Raw materials showed an increase from 2,732,245 tons valued at 1,251,720 contos, equivalent to \$69,127,474, or £8,494,000 gold, in 1935 to 2,888,829 tons valued at 1,251,720 contos, equivalent to \$82,599,760 or £8,815,000 gold in 1936.

In manufactured articles there was an increase from 483,105 tons with a value of 1,953,360 contos, equivalent to \$113,294,880 or £13,884,000 gold, in 1935 to 521,208 tons valued at 2,104,545 contos, equivalent to \$122,063,610 or £14,825,000 gold, in 1936.

In foodstuffs the increase was from 1,003,318 tons at a value of 698,573 contos, representing \$40,517,234 or £4,964,000 gold, to 1,052,664 tons valued at 904,631 contos, equivalent to \$52,468,598 or £6,372,000 gold.

In raw materials, iron and steel, gasoline, jute, fuel oil and wood-pulp recorded increases in both volume and value, whereas coal and copper decreased in volume but increased in value. Wool, on the other hand, increased in volume and decreased in value.

In manufactured articles, cotton piece-goods and manufactures, automobiles, copper manufactures, iron and steel manufactures, wool, linen, paper, tires and inner tubes accounted for the increase in volume and value. Machinery, apparatus, utensils and tools decreased in volume but increased in value, while chemical products increased in volume and decreased in value.

All foodstuffs with the exception of hops and malt showed an increase in both volume and value. Wheat is still the leading item in this class, showing an increase of 38,138 tons valued at \$10,591,496 in 1936 and bringing the total to 919,860 tons worth \$35,790,350. Flour of wheat also increased from 45,429 tons in 1935 to 50,813 tons in 1936 and in value from \$1,817,778 to \$2,679,832. The increase in value was more than 47 per cent, being the highest recorded in the whole class. Codfish, which in 1935 showed a decrease, came next to flour of wheat with an increase of 5,838 tons and \$655,748, the total being 22,996 tons valued at \$50,033.

## CHIEF SOURCES OF SUPPLY

The United States is still Brazil's best customer, followed by Germany and Great Britain. France, which in 1935 was supplanted by South American countries, was again in fourth position in 1936, the South American countries moving to fifth place. Noteworthy changes have occurred in the order of importance of countries selling to Brazil. Germany, which moved from fourth place in 1934 to second in 1935, is now in first place, while the United States moved to second. Argentina occupies third place, followed by Great Britain in fourth and France in fifth place.

## TRADE WITH CANADA

Brazil's trade with Canada showed very satisfactory increases in 1936. The total trade, as shown by Brazilian statistics, increased from 39,559 contos, equivalent to \$2,272,000, to 81,310 contos or \$4,799,646. While the increase in 1935 was nearly 50 per cent, in 1936 it amounted to more than 111 per cent. Imports from Canada into Brazil were mainly responsible for this increase, while the increase in Brazilian exports to Canada contributed to a lesser extent.

Imports from Canada increased from 31,481 contos in 1935 to 68,050 contos in 1936—from \$1,811,000 to \$3,933,768—or by more than 117 per cent. The decrease in Brazilian exports in 1935 to Canada changed in 1936 to a considerable increase of from 8,078 contos to 13,260 contos, \$461,000 to \$865,878, or more than 87 per cent.

## IMPORTS FROM CANADA INTO BRAZIL

Sewing machines continued to be the principal item imported into Brazil from Canada. During 1936 Canada was the largest supplier of this commodity to Brazil, the total increasing from 613 tons (\$650,000) in 1935 to 1,447 tons (\$1,384,467) in 1936. Rubber tires and inner tubes occupied second place, increasing from 119 tons (\$73,200) to 1,230 tons (\$713,952). In this item Canada was also in first place among supplying countries. In raw lead Canada moved from third place in 1934 and 1935 to second in 1936, in which year Brazil imported from Canada 2,855 tons (\$261,000) as against 1,532 tons (\$106,000) in 1935. Brazilian imports of Canadian wood-pulp also showed a considerable increase in 1936 with a total of 2,029 tons (\$102,844) as against 10 tons (\$690) in 1935.

Cotton manufactures, including belting, increased from 4 tons (\$3,380) to 87 tons (\$70,857). Imports of Canadian flour of wheat increased from 95 tons (\$6,100) in 1935 to 739 tons (\$40,631). Codfish, imports of which had decreased during 1935, showed a substantial increase in 1936 when 192 tons (\$23,005) were imported as against 62 tons (\$7,153) in 1935. Apples also showed an increase from 85 tons (\$10,190) to 242 tons (\$37,083). Electric cable, which appeared for the first time in Brazilian imports from Canada in 1935 with 44 tons (\$15,400) increased to 99 tons (\$38,543). Increases were also recorded in the case of zinc, Douglas fir, Sitka spruce, insulated copper wire, iron tubes and pipes, electric meters, porcelain and glass insulators, electric dynamos, ploughing apparatus, and whisky.

There were decreases in imports of copper plates and sheets—which, however, still rank third among the Canadian products imported into Brazil—with 1,786 tons (\$382,146) as against 1,923 tons (\$386,000) in 1935. Despite this decrease, Canada maintained third place among the countries supplying Brazil with her requirements of this commodity. Imports of Canadian newsprint decreased from 9,653 tons (\$385,000) in 1935 to 6,353 tons (\$276,293) in 1936. This decrease was due to Canadian prices being higher than those quoted by European manufacturers. Canadian malt showed a further decrease from 120 tons (\$8,370)



to 96 tons (\$6,432). Lack of available stock in Canada contributed to this decrease.

Raw aluminium decreased from 234 tons (\$92,000) in 1935 to 195 tons (\$72,086). Machinery for electricity and electric light decreased from 5 tons (\$10,360) to 1 ton (\$2,900) in 1936. There were decreases also in furs, manufactures of aluminium, rubber hose, radio accessories, paper n.o.p., manufactures of asbestos, leather belting, and condensed milk. Wallboard, manufactures of lead, and copper manufactures did not appear in Brazilian imports from Canada for the year 1936.

#### BRAZILIAN EXPORTS TO CANADA

Brazilian exports to Canada increased from 12,900 tons valued at \$461,000 in 1935 to 37,071 tons with a value of \$865,878 in 1936. Of this, coffee accounted for \$404,977 as against \$270,000 in 1935, cocoa beans for \$170,424 as against \$38,000, iron ore for \$70,773 as against \$10,500, unshelled Brazil nuts for \$29,604 as against \$10,460, and cocoa butter for \$28,610 as against \$28,400.

#### TRADE WITH THE UNITED STATES

The increase registered in the Brazilian trade with the United States in 1935 was due to enhanced imports from that country. In 1936 exports from Brazil to the United States accounted for the increase in trade from \$144,834,000 in 1935 to \$178,789,947 in 1936. This trade was made up of \$54,606,064 of imports and \$124,183,883 of exports. Imports in 1935 amounted to \$51,701,000 and exports to \$93,133,000. The volume of exports from Brazil to the United States increased from 796,000 tons in 1935 to 859,000 tons in 1936, and milreis values from 1,617,000 contos to 1,902,000 contos. The United States continues to be Brazil's best customer. Coffee is still the principal product exported from Brazil to the United States. The volume of exports of this product decreased from 8,684,327 bags in 1935 to 8,021,738 bags in 1936, while dollar values increased from \$71,500,000 to \$83,915,373.

Twelve of the twenty-six largest import items from the United States show increases in 1936, the principal being as follows: automobiles, trucks and chassis, from \$9,349,000 to \$10,165,806; barbed wire, from \$295,000 to \$299,615; fish plates and railway accessories, showing the greatest increase, from \$330,000 to \$946,878, followed by tin plates with an increase from \$1,041,000 to \$2,150,259. Other increases took place in the case of iron and steel tubes, radio apparatus, refrigerators, agricultural machinery, gasoline, wheat flour, apples, and pears.

Among the items which showed decreases in 1936, silk yarn and thread and paper recorded the largest reductions. Silk yarn and thread dropped from \$514,000 to \$5,211, and paper from \$850,000 to \$16,507. Other decreases occurred in machinery for electricity and electric light, which fell from \$1,012,000 to \$60,053; tools and utensils of all kinds, from \$447,000 to \$33,411; sewing machines, from \$1,090,000 to \$231,172; agricultural machinery, from \$420,000 to \$94,335, and rubber tires, from \$1,235,000 to \$694,486. Other items showed decreases due to development of Brazilian industry. Among these were cement, imports of which decreased from \$25,600 to \$2,582, and paints which dropped from \$28,000 to \$14,727.

#### TRADE WITH GREAT BRITAIN

Total trade between Brazil and Great Britain, which in 1935 showed a decrease as compared with 1934, increased in 1936 from \$49,286,000 to \$65,966,338. Brazilian exports to Great Britain exceeded for the first time during the past five years the total of imports, having risen from \$21,780,000 in 1935 to \$38,182,999 in 1936. Imports also showed a slight increase from \$27,506,000 to \$27,783,339.

All the principal Brazilian export items to Great Britain, with the exception of cocoa butter, showed an increase in 1936. Raw rubber showed the most remarkable increase from \$81,200 to \$437,650. Cotton, in which there was a heavy decrease in 1935, rose from \$6,370,000 to \$19,726,150. Hides and skins also increased from \$279,000 to \$696,252, as well as carnauba wax, exports of which rose from \$411,900 to \$947,464, and oranges with an increase from \$1,540,000 to \$2,836,379. Coffee, cocoa beans, Brazil nuts, tobacco in leaf, timber and lumber, and goat and sheep skins also increased.

Coal, cotton yarn, and caustic soda are the most important import items from Great Britain into Brazil. Coal showed a slight increase from \$4,000,000 in 1935 to \$4,074,478 in 1936, while cotton yarn decreased from \$2,070,000 to \$1,685,946, and caustic soda from \$1,276,000 to \$1,129,385. Wood-pulp, in which there was a heavy decrease in 1935 as compared with 1934, showed in 1936 the largest increase recorded by imports from Great Britain—\$188,135 as against \$10,490 in 1935. Aluminium bars and sheets increased from \$13,600 to \$37,732, and spinning and weaving machines from \$295,000 to \$495,617. Codfish, imports of which decreased in 1935, showed an increase from \$600,000 to \$743,697. Other commodities in which increases took place were jute yarn, iron plates and sheets, rubber tires and inner tubes, hose, shovels and axes, paper (including newsprint), and belting.

#### TRADE WITH GERMANY

Trade between Brazil and Germany, which had in 1935 increased by \$27,000,000, showed a further increase in 1936 of approximately \$16,000,000, bringing the total from \$84,173,000 in 1935, to \$100,144,168 in 1936. The greater part of this increase was due to larger imports from Germany into Brazil, the total value of which has risen from \$45,064,000 in 1935, to \$57,983,942 in 1936. Germany was in first place among the countries supplying Brazil with her requirements. Brazilian exports to Germany also increased from \$39,109,000 to \$42,160,226.

#### TRADE WITH JAPAN

In 1936 Brazil's trade with Japan showed an increase of \$13,382,136 over that of 1935, having risen from \$3,190,000 to \$16,572,136. The largest part of this increase was accounted for by Brazilian exports, which rose from \$1,182,000 to \$13,702,943. Cotton was the most important export item, contributing nearly 97 per cent to the total value of Brazilian exports to Japan, or \$13,251,786 as against \$780,000 in 1935.

Brazilian imports from Japan increased from \$2,008,000 in 1935 to \$2,869,193 in 1936.

### AUTOMOTIVE TRADE IN SYRIA AND THE LEBANON

HENRI TURCOT, CANADIAN TRADE COMMISSIONER

Cairo, October 1, 1937.—While the sale of automobiles, motor trucks and autobuses intended for private use, whether the owners are individuals, groups of individuals or commercial concerns, is not hampered in any way in Syria and the Lebanon, that of motor cars and autobuses designed for the conveyance of the public and of motor trucks designed for the transport of goods against financial consideration has been, as from November 15, 1934, handicapped by restrictions aiming at reducing the number of these vehicles in operation and thus at minimizing competition with local railways, the deficits of which have, according to an agreement between them and the two states concerned, to be made good by the latter.

#### TRADE RESTRICTIONS

*Taxicabs.*—Prior to being granted a registration plate (not to be confused with annual licences obtained at a nominal cost) for a new automobile to be



used for the conveyance of the public, the owners must produce three registration plates (they conserve their value) taken from other taxicabs. In other words, three old taxicabs have to be withdrawn from circulation before a registration plate for a new taxicab can be obtained. The cost of each of the old registration plates being Ltqs.30 (gold), it follows that a sum of Ltqs.90 (gold), or about \$675, has to be paid over and above the purchase price of the taxicab, unless the buyer has already in his possession the required plates.

*Motor Trucks.*—A registration plate for a new motor truck designed for the transportation of merchandise against financial consideration is granted only on presentation of the registration plate, or plates, of one or more motor trucks used for the same purpose, corresponding to twice the loading capacity of the new motor truck to be put in operation, and the cost of an old registration plate is Ltqs.10 (gold), or \$75, which means an expenditure of Ltqs.20 (gold), or \$150, per ton of loading capacity, if the plates have to be purchased, and a reduction of 50 per cent in loading capacity.

*Autobuses.*—In order to secure a registration plate for a new autobus designed for the conveyance of the public, the owner must surrender registration plates of taxicabs or of autobuses already used for the conveyance of the public. If registration plates of autobuses are resorted to, the autobuses covered by such plates must contain a total of twice the number of seats (for one person) included in the new autobus. On the other hand, in the case of registration plates of taxicabs being submitted, the number of plates to be surrendered must be equal to the number of seats (for one person) contained in the new autobus divided by  $1\frac{1}{4}$ , one taxicab being for the purpose of the law deemed to include  $1\frac{1}{4}$  seats.

In 1935, when a number of old unused vehicles were in existence, old plates could readily be obtained, but such unused vehicles are fast disappearing, with the result that, to the very high cost of registration plates to be procured, is added the gradually increasing difficulty of securing the necessary plates.

Besides the imposition of the above restrictions, taxes on gasoline and the entry duty on tires have been increased substantially.

#### MOTOR VEHICLE TRADE

Prior to 1935, from 1,000 to 1,200 motor vehicles were imported annually into Syria and the Lebanon. In 1935, the number was reduced to about 800, and a further decline was observed in 1936. In addition, it is estimated that prior to 1935 there were 15,000 motor vehicles in operation in the two states mentioned, as compared with approximately 8,000 in 1936. The falling off in imports and in the number of motor vehicles in operation is attributed mainly to the restrictions reported above, but also to the depression, which affected trade in both the motor vehicles for private use and the other ones. It is believed that the latter category still surpasses the former in number.

The Ford and the Renault are the principal makes of passenger cars on the market; the Chrysler is also prominent. The other makes include the Buick, Chevrolet, Plymouth, Studebaker, Nash, Citroen, and Fiat. The tendency at present would seem to be for larger cars in the case of those who have to procure registration plates, and the Ford and Renault in that of others.

The motor-trucks to be found on the market are the International, Dodge, Federal, Diamond, Diana, Stewart, Bedford, Maple Leaf, Chevrolet, etc. Those who are subject to the restrictions outlined above favour bigger trucks.

#### SPARE PARTS

The restrictions favour to a certain extent the trade in spare parts, it being in the interest of those concerned to keep their vehicles in good running order as long as possible. Spare parts for motor trucks are in larger demand than

those for passenger cars. On the whole, conditions in the trade are fair, although the number of vehicles in operation has fallen off. The question of price is no longer of prime importance; quality articles have gained considerable ground.

For spare parts generally, the United States is the main contributor, followed by the United Kingdom and France. Except for a few articles, it is difficult for Canada to compete owing to higher freight rates.

#### BATTERIES, ETC.

Locally made batteries, of a rather inferior grade but cheap, have the larger share of the trade. Imports, in order of importance, originate in the United States, the United Kingdom, Belgium, France and Canada. The principal foreign brands sold comprise the Durex and Willard (United States), Exide (England), and Tudor (Belgium). A well-known Canadian brand is on the market, and its sales appear to be progressing satisfactorily.

The types of batteries wanted are the following: 11 plates, 1/8", S-8-B; 13 plates, 3/32", S-8-B; 13 plates, 1/8", S-10-B; 15 plates, 3/32", S-10-B; 15 plates, 1/8", S-13-B; and 17 plates, 3/32", S-13-B.

The United States, Canada and Belgium are the principal competitors in separators. The Belgian article is of a low grade, and, although prices are lower than those asked for by the United States and Canada, it is losing ground.

Impregnated yellow cedar separators are preferred in standard sizes, in cases of 1,000, wrapped in cellophane paper.

Battery plates are imported from Canada (about 60 per cent), Belgium (25 per cent), and the United States. The demand is mostly for plates of 1/8", 7/64", and 3/32".

There is practically no demand for composition rubber battery boxes on account of the rough usage to which cars have to be put in Syria and the Lebanon. Hard rubber battery boxes are imported mostly from the United States. About a year ago, Japan became a factor in the trade, as a result of low prices. Subsequently, Japanese manufacturers increased their prices to such an extent that rubber boxes from Japan have practically disappeared from this market. Types in demand are S-8-B; S-10-B; S-13-B.

The chief competitor in clutch facings, brake lining and packing is the United States; English and Canadian articles are also sold in Syria and the Lebanon.

#### TIRES AND INNER TUBES

The motor-vehicle tires sold in Syria and the Lebanon include the Michelin (France); Goodyear (part from the United States, and part from Canada); U.S. Royal (part from the United States, and part from Canada); Fish, Seiberling, Firestone, and Kelly (United States); India (England); and Englebert (Belgium). The Michelin, Goodyear, U.S. Royal, and Fisk have the larger share of the trade. As a consequence of inter-company arrangements, the sale of certain brands of Canadian tires is reported to be enjoying a substantial increase this year in Syria and the Lebanon as well as in the Near East generally.

Straight-sided tires only are wanted. Passenger cars are equipped with low-pressure balloon and extra low-pressure super-balloon tires, and autobuses and motor-trucks with high- and low-pressure tires, depending upon the type of vehicle. Cord tires, ordinary and extra-ply, are required. There is no outlet for solid tires, except for the Army, and supplies are obtained exclusively from France. No semi-solid tires are imported.

Inner tubes pretty well follow the brands of tires sold.



### PATCHES AND RELINERS

Small patches for inner tubes may be sold in Syria and the Lebanon, but this is not the case regarding large patches for tires as well as reliners. Reliners are said to generate heat, and they are consequently unsuitable for these countries. As for large patches, there is no demand for them because motor vehicle users, when a puncture occurs on the road, prefer to resort to the extra wheel, and have the tire vulcanized—a low-cost operation—at the first opportunity.

Small patches imported into Syria and the Lebanon come, for the larger portion, from the United States; other sources of supply are the United Kingdom and Germany.

### CENTRES OF TRADE

Beirut, in the Lebanon, is the centre of import trade for motor vehicles of every description, and also spare parts and tires. The selling centre for passenger cars, motor vehicle spare parts generally, and tires is Beirut, while those for motor-trucks and autobuses are Alexandretta and Aleppo. Importers, located in Beirut, have branches or sales representatives in all the principal and strategic centres of Syria and of the Lebanon.

### LEAFLET ON DOCUMENTATION FOR COLOMBIA

The documents required for shipments to Colombia are five copies of the consular invoice, five copies of the certificate of origin, and three copies of the bill of lading. Shipments of lard, meat, or alcoholic beverages also require a certificate of purity. These must be submitted to the Colombian Consul for legalization. The consular invoice and certificate of origin must be prepared on special forms which may be purchased from the Colombian Consul. Another feature of the Colombian regulations is that shipments to Colombia covered by consular documents require an import licence granted by the Colombian Board of Control at the point where the merchandise is to be imported. The original (copies are not accepted) must be presented to the consular officer together with the shipping documents for legalization. Details of the way in which the various documents should be completed are contained in a new leaflet on documentation and other regulations affecting shipments to Colombia, prepared by Mr. A. Lozano-Agudelo, Consul General for Colombia in Montreal, which has just been issued by the Department of Trade and Commerce. Copies may be obtained by interested Canadian exporters on application to the Department at Ottawa.

### IMPORTATION OF WHEAT INTO ECUADOR

Mr. M. J. Vechsler, Canadian Trade Commissioner in Lima, writes that by an Ecuadorean presidential decree of October 8, 1937, authority is given for the importation into Ecuador of 80,000 quintals (of 100 pounds each) of wheat. This amount will be accorded exemption from customs duties, sales tax, and of one-half of the consular fees. (The ordinary duty is equivalent to about 42 cents per bushel, the sales tax is 5 per cent ad valorem, and the consular fee  $6\frac{1}{2}$  per cent ad valorem.) Imports of this wheat may be made by local flour mills with the consent of the Minister of Industries.

This authority is being given in view of the fact that the output of Ecuadorean flour is insufficient to meet the demand, and that the import of wheat is less harmful to national economy than the import of foreign flour.

## FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING NOV. 1, 1937

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, November 1, and for the week ending Monday, October 25, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Oct. 25	Nominal Quotations in Montreal Week ending Nov. 1	Official Bank Rate
Austria . . . . .	Schilling	.1407	\$ .1883	\$ .1882	3½
Belgium . . . . .	Belga	.1001	.1687	.1692	2
Bulgaria . . . . .	Lev	.0072	.0129	.0129	6
Czechoslovakia . . . . .	Krone	.0296	.0350	.0350	3
Denmark . . . . .	Krone	.2680	.2210	.2214	4
Finland . . . . .	Markka	.0252	.0220	.0219	4
France . . . . .	Franc	.0392	.0336	.0337	3½
Germany . . . . .	Reichsmark	.2382	.4016	.4018	4
Great Britain . . . . .	Pound	4.8666	4.9512	4.9612	2
Greece . . . . .	Drachma	.0130	.0091	.0091	6
Holland . . . . .	Guilder	.4020	.5529	.5529	2
Hungary . . . . .	Pengo	.1749	.2955	.2955	4
	Unofficial		.1974	.1974	—
Italy . . . . .	Lira	.0526	.0526	.0526	4½
Jugo-Slavia . . . . .	Dinar	.0176	.0230	.0231	5
Norway . . . . .	Krone	.2680	.2487	.2492	4
Poland . . . . .	Zloty	.1122	.1888	.1890	5
Portugal . . . . .	Escudo	.0442	.0448	.0449	4
Roumania . . . . .	Leu	.0060	.0073	.0073	4½
Spain . . . . .	Peseta	.1930	.0618	.0624	5
Sweden . . . . .	Krona	.2680	.2552	.2557	2½
Switzerland . . . . .	Franc	.1930	.2305	.2312	1½
United States . . . . .	Dollar	1.0000	.9998	.9998	1
Mexico . . . . .	Peso	.4985	.2775	.2775	4-5
Cuba . . . . .	Peso	1.0000	.9992	.9992	—
Guadeloupe . . . . .	Franc	.0392	.0336	.0337	—
Jamaica . . . . .	Pound	4.8666	4.9612	4.9712	—
Martinique . . . . .	Franc	.0392	.0336	.0337	—
Other British West Indies	Dollar	1.0138	1.0315	1.0335	—
Argentina . . . . .	Peso (Paper)	.4245	.3301	.3307	—
	Unofficial		.2965	.2960	—
*Brazil . . . . .	Milreis	.1196	.0559	.0559	—
British Guiana . . . . .	Dollar	1.0138	1.0315	1.0335	—
Chile . . . . .	Peso	.1217	.0517	.0517	3-4½
Colombia . . . . .	Peso	.9733	.5699	.5697	4
Peru . . . . .	Sol	.2800	.2600	.2600	6
Venezuela . . . . .	Bolivar	.1930	.3137	.3137	—
Uruguay . . . . .	Peso	1.0342	.7916	.7916	—
South Africa . . . . .	Pound	4.8666	4.9451	4.9550	3½
Egypt . . . . .	Pound (100 Piastres)	4.9431	5.0600	5.0800	—
China (Shanghai) . . . . .	Dollar	.....	.2941	.2940	—
Hongkong . . . . .	Dollar	.....	.3095	.3099	—
India . . . . .	Ruppee	.3650	.3738	.3746	3
Japan . . . . .	Yen	.4985	.2882	.2890	3.29
Java . . . . .	Guilder	.4020	.5528	.5528	—
Siam . . . . .	Baht (Tical)	.4424	.4538	.4547	—
Straits Settlements . . . . .	Dollar	.5678	.5806	.5818	—
Australia . . . . .	Pound	4.8666	3.9610	3.9687	3
New Zealand . . . . .	Pound	4.8666	3.9929	4.0000	2

\* Unofficial.

The Dominion Bureau of Statistics has supplied the following note:—

Three shipments of gold aggregating more than \$19,000,000 were made from Japan to the United States during the final week of October. It was believed that this metal was being used to purchase sterling for the settlement of trade accounts in Europe. This view was supported by an advance in sterling of about 1 per cent, where it held within a narrow range slightly above \$4.96. A decline of over four points in the French franc was almost completely recovered in the closing days of the month. New York funds returned temporarily to par on October 26, but dropped back again to a slight discount.



## TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

### Secretary, Board of Trade—

Saint John, N.B.  
Halifax, N.S.  
Quebec, P.Q.  
Montreal, P.Q.  
Toronto, Ont.

Chatham, Ont.  
Kitchener, Ont.  
Stratford, Ont.  
Woodstock, Ont.  
St. Mary's, Ont.

Portage la Prairie, Man.  
St. Boniface, Man.  
Winnipeg, Man.  
Vancouver, B.C.  
New Westminster, B.C.

### Secretary, Chamber of Commerce—

Sherbrooke, P.Q.  
Kingston, Ont.  
Oshawa, Ont.

Belleville, Ont.  
Peterborough, Ont.  
London, Ont.

Hamilton, Ont.  
Victoria, B.C.  
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

### Secretary, Canadian Manufacturers Association—

Toronto, Ont.  
Montreal, P.Q.

Winnipeg, Man.  
Edmonton, Alta.

Vancouver, B.C.  
Victoria, B.C.

The Maritime Provinces Trade Commissioner, 122 Federal Building, Toronto, Ont.

The Bureau of Provincial Information, Victoria, B.C.

**Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.**

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Foodstuffs—</b>			
Savoury and Cocktail Biscuits...	736	Auckland, New Zealand...	Agency.
Fruits and Vegetables (Canned)...	737	Johannesburg, South Africa...	Agency.
Milk, Condensed, Unsweetened...	738	Cairo, Egypt.....	Purchase.
Honey.....	739-40	Glasgow, Scotland.....	Purchase.
Honey, White Clover.....	741	Brussels, Belgium.....	Agency.
Honey.....	742-43	Bristol, England.....	Agency.
Honey.....	744	Liverpool, England.....	Purchase.
Honey.....	745	Liverpool, England.....	Purchase and Agency.
Maple Syrup.....	746	Melbourne, Australia.....	Agency.
Flour.....	747	Bristol, England.....	Agency.
Flour.....	748-49	Port of Spain, Trinidad....	Agency.
<b>Miscellaneous—</b>			
Alfalfa Meal.....	750	Bristol, England.....	Agency.
Wheat Offals.....	751	Bristol, England.....	Agency.
Wheat Offals.....	752	Bristol, England.....	Purchase and Agency.
Cornmeal.....	753	Port of Spain, Trinidad....	Agency.
Fish Oils, Salmon, Cod Liver, etc.	754	Bristol, England.....	Purchase.
Bone, Charcoal, Bone Pitch, and Bone Oil.	755	Bristol, England.....	Purchase and Agency.
Seeds, Agricultural.....	756	Bristol, England.....	Agency.
Seeds, Forest Tree.....	757	Paris, France.....	Purchase.
Cellulose Shoe Wrappers.....	758	Cape Town, South Africa..	Agency.
Machine Needles.....	759	Melbourne, Australia.....	Agency.
Machine for the Cutting of Corrugated Paper for Wrapping Bottles.	760	Cape Town, South Africa..	Purchase.
Machine for "Quilting" Rock Wool.	761	Melbourne, Australia.....	Purchase.

TRADE INQUIRIES—*Concluded*

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Miscellaneous—<i>Concluded</i></b>			
Small Petrol Engine.....	762-63	Melbourne, Australia.....	Agency.
New Empty Oxygen Cylinders..	764	Mexico City, D.F. Mexico.	Purchase.
Domestic Cabinet Refrigerators (Kerosene-operated).	765	Melbourne, Australia.....	Agency.
Non-Ferrous Metals.....	766	Melbourne, Australia.....	Agency.
Copper Sheets.....	767	Melbourne, Australia.....	Purchase.
Engravers' Polished Sheet Copper and Sheet Zinc.	768	Melbourne, Australia.....	Agency.
Steel Bars.....	769	Bristol, England.....	Purchase.
Flexible Metallic Tubing.....	770	Melbourne, Australia.....	Agency.
Brass Sheets.....	771	Melbourne, Australia.....	Purchase.
Hosiery (Ladies'), Half Hose (Men's).	772	Port of Spain, Trinidad....	Agency.
Cotton Shirts (Men's).....	773	Port of Spain, Trinidad....	Agency.
Shirts, Pyjamas, Underwear (Men's).	774	Port of Spain, Trinidad....	Agency.
Leathers—Sole, Waxed Splits and Offal.	775	Bristol, England.....	Purchase and Agency.
Soft Hemp Fibres.....	776	Bristol, England.....	Purchase.
Textile Trimmings for Automo- bile Bodies.	777	Bristol, England.....	Purchase.
Rock Wool.....	778	Melbourne, Australia.....	Agency.
Wood-pulp.....	779	Bristol, England.....	Purchase.
Hair Frictions.....	780	Melbourne, Australia.....	Exclusive Agency.

**PROPOSED SAILINGS FROM CANADIAN PORTS**

(The sailing dates are approximate and subject to change without notice)

**From Montreal**

*To Liverpool.*—Duchess of Bedford, Nov. 12; Duchess of Atholl, Nov. 19; Duchess of York, Nov. 24; Montrose, Nov. 25—all Canadian Pacific; Antonia, Cunard-White Star Line, Nov. 19.

*To London.*—Beaverburn, Nov. 12; Beaverhill, Nov. 19; Beaverford, Nov. 25—all Canadian Pacific; Ausonia, Nov. 12; Ascania, Nov. 19; Aurania, Nov. 25—all Cunard-White Star Line; Rutenfjell, Nov. 15; Taborfjell, Nov. 26—both Fjell Line.

*To Manchester.*—Manchester Regiment, Nov. 11; Manchester Commerce, Nov. 18; Manchester Port, Nov. 25; Manchester Brigade, Nov. 27—all Manchester Line.

*To Southampton.*—Duchess of Richmond, Canadian Pacific, Nov. 25.

*To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—New York City, Nov. 12; Bristol City, Nov. 27—both Bristol City and Dominion Lines; Dakotian, Cunard-Donaldson and Dominion Lines, Nov. 20.

*To Glasgow.*—Athenia, Nov. 12; Delilian, Nov. 19; Letitia, Nov. 25—all Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Cairnross (also calls at Dundee), Nov. 10; Cairnvalona, Nov. 17; Cairnesk, Nov. 24; Cairnglen, Nov. 29—all Cairn-Thomson Line.

*To Aberdeen and Hull.*—Consuelo, Ellerman's Wilson Line, Nov. 24.

*To Dublin, Cork and Belfast.*—Kenbane Head, Nov. 8; Melmore Head, Nov. 20; Dunaff Head (does not call at Dublin or Cork), Nov. 24—all Head Line.

*To Antwerp.*—Beaverburn, Nov. 12; Beaverford, Nov. 26—both Canadian Pacific; Rutenfjell, Nov. 15; Taborfjell, Nov. 26—both Fjell Line; Flint II, Nov. 14; Grey County, Nov. 27—both County Line (also call at Havre).

*To Rotterdam.*—Hada County, Nov. 7; August, Nov. 26—both County Line; Rutenfjell, Nov. 15; Taborfjell, Nov. 26—both Fjell Line.

*To Hamburg and Bremen.*—Beaverhill (does not call at Bremen), Canadian Pacific, Nov. 19; Bochum, Hamburg-American Line, Nov. 12.

*To Marseilles, Genoa, Naples, Messina, Palermo, Lisbon and Leghorn.*—Capo Noli, Capo Line, Nov. 20.

*To St. John's, Nfld.*—Belle Isle (also calls at St. Pierre-Miquelon), Newfoundland-Canada SS. Co., Nov. 19; Imogene, Shaw SS. Co. Ltd., Nov. 24.

*To Corner Brook, Nfld.*—New Northland, Clarke SS. Co., Nov. 10.



*To Puerto Rico, Barbados, Trinidad and Demerara.*—Colborne, Nov. 11; Chomedy, Nov. 25—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).  
*To Hamilton (Bermuda), Nassau (Bahamas), Kingston (Jamaica) and Belize (British Honduras).*—Lady Somers, Nov. 10; Cathcart (does not call at Hamilton or Nassau), Nov. 19; Lady Rodney, Nov. 24—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad, Demerara and Paramaribo.*—A steamer, Ocean Dominion SS. Corp., Nov. 8 and 24 (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Brisbane, Sydney and Melbourne.*—Surrey, Montreal-Australia-New Zealand Line, Nov. 23.

*To Auckland, Wellington, Lyttelton and Dunedin.*—Ardenvoehr, Montreal-Australia-New Zealand Line, Nov. 18.

*To Sierra Leone, Walvis Bay, Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques and Beira.*—Calumet (does not call at Walvis Bay, Lourenco Marques or Beira), Nov. 12; Calgary, Nov. 25—both Elder Dempster Lines Ltd.; Heimvard (does not call at Sierra Leone, Walvis Bay, Port Elizabeth, Lourenco Marques or Beira, but calls at Algoa Bay), Cosmopolitan Navigation Co., Nov. 15.

*To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Singapore, Madras, Rangoon and Calcutta.*—City of Worcester, Canada-India Service, Nov. 18.

### From Saint John

*To Liverpool.*—Montclare, Dec. 3; Duchess of Bedford, Dec. 10; Duchess of Atholl, Dec. 15—all Canadian Pacific.

*To London.*—Beaverdale, Dec. 2; Beaverbrae, Dec. 9; Beaverburn, Dec. 16—all Canadian Pacific.

*To Manchester.*—Manchester City, Manchester Line, Dec. 9.

*To Southampton.*—Duchess of Richmond, Canadian Pacific, Dec. 14.

*To Avonmouth (Port of Bristol), Cardiff and Swansea.*—Dorelian, Cunard-Donaldson and Dominion Lines, Dec. 24.

*To Glasgow.*—Athenia, Donaldson-Atlantic Line, Dec. 11.

*To Newcastle and Leith.*—Cairnmona, Cairn-Thomson Line, Dec. 16 (also calls at Dundee).

*To Dublin and Belfast.*—Torr Head, Head Line, Dec. 28 (cargo accepted for Cork).

*To Antwerp and Havre.*—Beaverhill (does not call at Havre), Canadian Pacific, Dec. 23; Hada County, County Line, Dec. 23.

*To Rotterdam.*—Hada County, County Line, Dec. 23.

*To Hamburg.*—Beaverburn, Canadian Pacific, Dec. 16.

*To Marseilles, Genoa, Naples, Messina, Palermo and Seville.*—Capo Lena, Capo Line, early December.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Nelson, Nov. 10; Lady Hawkins, Nov. 24; Lady Drake, Dec. 8—all Canadian National.

*To Kingston (Jamaica).*—Coppename, Nov. 20; a steamer, Dec. 4—both United Fruit Co.

*To Brisbane, Sydney, Melbourne and Adelaide.*—Port Halifax, Montreal-Australia-New Zealand Line, Dec. 21.

*To Auckland, Wellington, Lyttelton and Dunedin.*—Kaikoura (also calls at Timaru and Bluff), Montreal-Australia-New Zealand Line, Dec. 11.

*To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon and Calcutta.*—A steamer, Canada-India Service, about Dec. 15.

*To Cape Town, Algoa Bay, East London and Durban.*—Hoegh Carrier, Cosmopolitan Navigation Co., Nov. 27.

*To Buenos Aires.*—Nordkap (also calls at Montevideo), Guardiaz Line, Dec. 4.

### From Halifax

*To Liverpool.*—Manchester Division, Nov. 22; Manchester Producer, Dec. 2—both Manchester Line; Newfoundland, Nov. 13; Nova Scotia, Nov. 27—both Furness Line.

*To London.*—Beemsterdyk, Nov. 19; Spaarndam, Nov. 30—both Holland-America Line; Artigas, Nov. 10; Capulin, Nov. 24; City of Flint, Dec. 8—all American Hampton Roads.

*To Manchester.*—Manchester Citizen, Nov. 7; Manchester Commerce, Nov. 21; Manchester Port, Nov. 28; Manchester Brigade, Dec. 4; Manchester City, Dec. 11—all Manchester Line.

*To Southampton.*—Duchess of Richmond, Canadian Pacific, Dec. 15.

*To Glasgow.*—Athenia, Donaldson-Atlantic Line, Dec. 13.

*To Newcastle and Leith.*—Cairnvalona, Nov. 20; Cairnesk, Nov. 27; Cairnglen, Dec. 4; Cairnmona, Dec. 18—all Cairn-Thomson Line; Artigas, Nov. 10; Capulin, Nov. 24; City of Flint, Dec. 8—all American Hampton Roads (call at Dundee and Hull but not at New-

castle); Guido, Nov. 17; Gitano, Dec. 1; Kyno, Dec. 24—all Ellerman's Wilson Line (call at Aberdeen but not at Leith).

*To Cardiff, Bristol and Swansea.*—New York City, Nov. 15; Bristol City, Dec. 1; Boston City, Dec. 15—all Bristol City and Dominion Lines.

*To Rotterdam.*—Beemsterdyk, Nov. 19; Spaarndam, Nov. 30—both Holland-America Line.

*To Hamburg and Bremen.*—Artigas, Nov. 10; Capulin, Nov. 24; City of Flint, Dec. 8—all American Hampton Roads.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Fort Townshend, Nov. 8 and 22; Fort Amherst, Nov. 15—both Furness-Red Cross Line; Kongschaug, Newfoundland-Canada SS. Ltd., Nov. 15 and 29; Newfoundland, Nov. 13; Nova Scotia, Nov. 27—both Furness Line (do not call at St. Pierre); Portia (does not call at St. Pierre), Newfoundland Ry. and SS. Co., Nov. 17 and Dec. 1.

*To Kingston (Jamaica) and Belize (British Honduras).*—Cavelier, Nov. 8; Cathcart, Nov. 19—both Canadian National.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Nelson, Nov. 18; Lady Hawkins, Dec. 2; Lady Drake, Dec. 16—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Guadeloupe, Dominica, Martinique, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer, Ocean Dominion SS. Corp., Nov. 13 and 29.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Colborne, Nov. 15; Chomedy, Nov. 29—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Bermuda, West Indies, and Demerara.*—A steamer, Nov. 12 and Dec. 9; Heroy, Nov. 25—all Pickford & Black Ltd.

*To Santiago (Cuba) and Kingston (Jamaica).*—Ciss, Nov. 17; Kirsten B, Dec. 1—both Pickford & Black Ltd.

*To Brisbane, Sydney, Melbourne and Adelaide.*—Port Halifax (also calls at Geelong), Montreal-Australia-New Zealand Line, Dec. 29.

*To Auckland, Wellington, Lyttelton and Dunedin.*—Kaikoura (also calls at Timaru and Bluff), Montreal-Australia-New Zealand Line, Dec. 19.

*To Yokohama, Kobe, Shanghai, Hongkong, Manila, Cebu and Java.*—Cingalese Prince, Nov. 22; Chinese Prince, Dec. 20—both Furness-Prince Line; Silversandal, Dec. 5; Silver-yew, Jan. 2—both Silver Line.

### From Vancouver

*To Yokohama, Kobe and Osaka.*—Hikawa Maru, Nov. 18; Hiye Maru, Dec. 2; Heian Maru, Dec. 25—all Nippon Yusen Kaisha.

*To Yokohama, Kobe, Shanghai, Hongkong and Manila.*—Empress of Asia (calls Nagasaki), Nov. 13; Empress of Canada (calls Honolulu), Nov. 27; Empress of Russia (calls Nagasaki), Dec. 11; Empress of Japan (calls Honolulu), Dec. 25—all Canadian Pacific; Talthybius, Dec. 4; Tyndareus, Jan. 6—both Blue Funnel Line (call at Miike but not at Manila).

*To Manila, Iloilo, Cebu, Macassar, Soerabaya, Samarang, Batavia, Singapore, Port Swettenham, Belawan Deli, Colombo, Bombay and Persian Gulf Ports.*—Hoegh Transporter, Dec. 2; Bengkalis, Jan. 1—both Silver Java Pacific Line.

*To Honolulu, Suva, Auckland and Sydney.*—Niagara, Nov. 24; Aorangi, Dec. 22—both Canadian-Australasian Line.

*To Papeete, Auckland, Wellington, Lyttelton, Dunedin, Melbourne and Sydney.*—Wairuna (calls at Napier), Nov. 25; Limerick, Dec. 25—both Canadian-Australasian Line.

*To Brisbane, Sydney, Melbourne and Adelaide.*—Koyei Maru, Empire Shipping Co., Nov. 25.

*To London, Liverpool and Rotterdam.*—Damsterdyk (calls at Glasgow), Nov. 13; Nebraska, Nov. 27; Delftdyk (calls at Glasgow), Dec. 11—all North Pacific Coast Line.

*To Antwerp, Hamburg and Bremen.*—Tacoma, Nov. 10; Portland, Nov. 21; Vancouver, Dec. 8—all Hamburg-American Line; Schwaben, Nov. 29; Elbe, Dec. 20—both North German Lloyd Line.

*To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.*—Washington, Nov. 10; San Francisco, Nov. 21—both Empire Shipping Co.

*To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.*—Indien, Nov. 24; Cellina, Dec. 21—both Empire Shipping Co.

*To Port of Spain (Trinidad) and Bridgetown (Barbados).*—A steamer, Canadian Transport Co., November.

*To Kingston (Jamaica), Trinidad and Demerara.*—A steamer, Canadian Transport Co., December.

*To Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques, Beira, Colombo, Calcutta and Madras.*—Silverpalm, Silver-Java Pacific Line, Dec. 4.

*To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.*—Hoyanger, Empire Shipping Co., Nov. 25.



# COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

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*Sydney*: L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh Streets. (Territory covers Federal District of Canberra, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

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*Kobe:* P. V. McLANE. Address for letters—P.O. Box 230, Kobe. Office—309 Crescent Building, 72 Kyomachi, Kobe. *Cable address, Canadian.*

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- M. J. VECHSLER. Address for letters—Casilla 1212, Lima. Office—Portal de Belén No. 166, Plaza San Martin, Lima. (Territory includes Bolivia, Ecuador, and Chile.) *Cable address, Canadian*

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*Johannesburg:* J. L. MUTTER. Address for letters—P.O. Box 715, Johannesburg. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

### United Kingdom

*London:* FREDERIC HUDD, Chief Trade Commissioner in the United Kingdom, Canada House, Trafalgar Square, S.W.1. *Cable address, Sleighing, London.*

*London:* J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W.1 (Territory covers Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

*London:* W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C.2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—covers United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

*London:* W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W.1. *Cable address, Agrilson.*

*Liverpool:* H. R. POUSSETTE, Martins Bank Building, Water Street. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

*Bristol:* E. L. McCOLL, Northcliffe House, Colston Avenue. (Territory covers West of England, South Wales, and South Midlands.) *Cable address, Canadian.*

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### United States

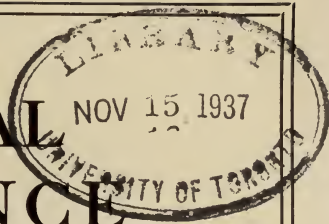
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**Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.**



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Vol. LVII

Ottawa, November 13, 1937

No. 1763

## FOREIGN TRADE OF THE UNITED STATES, JANUARY TO JUNE

D. S. COLE, CANADIAN TRADE COMMISSIONER

New York City, October 26, 1937.—The foreign trade of the United States continued its upward swing throughout the first half of 1937, and was in line with the general improvement in the international movement of goods. Both quantity and value of United States exports and imports were greater than in the corresponding period of 1936. Exports showed an increase of 21·8 per cent in quantity and an advance of 7·6 per cent in price, while imports increased 24·8 per cent by quantity and 13·2 per cent in price. Although political conditions in some countries have led to an increase in the United States exports of certain classes of rearmament and other war materials, a substantial degree of improvement has appeared for a greater number of general industrial products to non-affected areas.

### RECIPROCAL TRADE AGREEMENTS

The policy of the United States in making reciprocal trade agreements with various foreign countries has played an important part in the increased world trade of this country. Exports to countries having trade agreements have increased 41 per cent over the first half of 1936, while in comparison exports to non-agreement countries showed a gain of 28·6 per cent. United States import trade with countries with which trade agreements have been concluded showed a gain of 34 per cent over the January-June period of 1936, while imports from non-agreement countries registered a larger gain of 52·1 per cent for the period.

Total United States exports for the first six months of 1937 amounted to \$1,536,380,000, an increase of 33 per cent over the value of \$1,154,961,000 in the corresponding period of 1936. The value of imports for consumption in the United States for the first six months was \$1,623,946,000, compared with \$1,153,359,000 for the like period of 1936, an increase of 40·8 per cent. Thus total trade for the first half of 1937 amounted to \$3,160,326,000, a gain of 32·5 per cent, as against \$2,308,320,000 in 1936.

General imports of the United States—that is, imports entered for immediate consumption plus those going into warehouse—amounted to \$1,684,000,000, and exceeded the value of total exports by \$147,321,000. If this amount is added to the excess of imports of gold and silver, viz., \$1,061,082,000, the United States “visible” import excess of merchandise, gold and silver for the first half of 1937 amounts to \$1,208,403, as against a “visible” import surplus for the January-June period of 1936 of \$635,309,000.

### GOLD AND SILVER MOVEMENTS

Exports of gold from the United States for the first six months of this year amounted to \$148,000, as compared with \$26,423,000 in the corresponding period of 1936. Of this amount, Mexico received to the value of \$29,000 of gold and the United Kingdom \$65,000. In contrast to the small exports were the large

receipts of gold for the first half of 1937, totalling \$1,029,000,000, the largest on record, as against \$805,389,000 for the like period of 1936. The United Kingdom was the chief shipper, 70 per cent or \$707,000,000 worth of metal coming from that country. Canada is credited with \$64,060,000; Switzerland, \$52,062,000; Japan, \$47,584,000; India, £29,743,000; France, £25,107,000; and Belgium, \$22,450,000.

Exports of silver for the January-June period of 1937 totalled \$2,622,000, as compared with \$1,566,000 in the similar period of 1936. United States imports of silver for the period amounted to \$34,525,000, compared with \$117,594,000 in 1936.

#### PRINCIPAL MARKETS

United States exports to the six grand divisions of the world registered an increase of about 33 per cent for the January-June period of 1937, as compared with the like period of 1936. However, exports to Europe and Oceania failed to show as heavy increases as those to other grand divisions. Sales to Asia, North and South America showed gains ranging from 30·5 per cent to 60·8 per cent, while Europe's share for the half-year was only 37·9 per cent, compared with 42·1 per cent for the first half of 1936. The following table shows the value of United States exports to various British Empire countries and other principal foreign countries for the first six months of 1937, as against the corresponding period of 1936:—

#### *United States Exports to British Empire Countries*

	Jan.-June, 1937	Jan.-June, 1936	Inc. or Dec. Per Cent
Total to all countries . . . . .	\$1,536,380,000	\$1,154,961,000	+ 33.0
Canada* . . . . .	243,852,000	182,773,000	+ 33.4
United Kingdom . . . . .	207,626,000	187,872,000	+ 10.3
Irish Free State . . . . .	3,455,000	2,781,000	+ 24.2
Australia . . . . .	31,902,000	32,578,000	— 2.1
New Zealand . . . . .	11,125,000	9,262,000	+ 20.1
Union of South Africa . . . .	41,640,000	32,480,000	+ 28.3
British India . . . . .	17,986,000	12,900,000	+ 39.4

#### *United States Exports to Other Principal Foreign Countries*

	Jan.-June, 1937	Jan.-June, 1936	Inc. or Dec. Per Cent
Argentina . . . . .	\$ 39,857,000	\$ 25,041,000	+ 59.8
Brazil* . . . . .	28,919,000	24,209,000	+ 19.5
France* . . . . .	74,935,000	55,350,000	+ 35.4
Germany . . . . .	54,249,000	47,357,000	+ 14.0
Belgium* . . . . .	44,234,000	22,290,000	+ 62.1
Netherlands* . . . . .	42,638,000	25,524,000	+ 64.8
Italy . . . . .	40,461,000	33,706,000	+ 19.8
Soviet Russia . . . . .	18,924,000	20,822,000	— 9.1
Japan . . . . .	165,519,000	93,311,000	+ 77.9
China . . . . .	31,355,000	20,990,000	+ 47.4

\* Countries having reciprocal trade agreements with the United States.

According to the Department of Commerce, exports to countries with which reciprocal trade agreements have been made registered an increase of 41 per cent, while those to non-agreement countries showed a gain of 28·6 per cent. During the period under review Canada became the leading market for the United States, taking 15·9 per cent of the exports, which amounted to \$243,852,000, an increase of 33·4 per cent over exports valued at \$182,773,000 for the similar period of 1936. The United Kingdom, the second leading market, took to the value of \$207,626,000 of exports for the first six months of 1937, a gain of 10·3 per cent over the total of \$187,872,000 for the like period of 1936. Exports to British India increased 39·4 per cent; to South Africa, 28·3 per cent; to the Irish Free State, 24·2 per cent; and to New Zealand, 20·1 per cent; while exports to Australia registered a decline of 2·1 per cent.



United States exports to other principal foreign countries all showed increases, ranging from 14 per cent for Germany to 77·9 per cent for Japan, with the exception of Soviet Russia, which showed a decrease of 9·1 per cent.

### EXPORTS OF PRINCIPAL COMMODITIES

The following table gives the values of the twenty chief exports from the United States for the January-June period of 1937, compared with the like period of 1936:—

#### *Twenty Chief Exports According to Value, January to June*

Commodity and Rank*	Jan.-June, 1937	Jan.-June, 1936	Gain or Loss
			Per Cent
Automobiles, parts and accessories, except tires (11.7) . . . . .	\$176,060,000	\$132,820,000	+ 32.6
Unmanufactured cotton (11.7) . . . . .	175,849,000	154,082,000	+ 14.1
Electrical machinery and apparatus (3.7) . . . . .	55,125,000	43,470,000	+ 26.8
Lubricating oil (2.9) . . . . .	43,465,000	32,422,000	+ 34.1
Iron and steel plates, sheets, skelp and strips (2.7) . . . . .	40,909,000	24,045,000	+ 70.1
Iron and steel scrap (2.7) . . . . .	40,896,000	11,857,000	+244.9
Crude petroleum (2.7) . . . . .	40,373,000	28,786,000	+ 40.3
Refined copper in ingots, bars, etc. (2.5) . . . . .	38,355,000	17,651,000	+117.2
Leaf tobacco (2.4) . . . . .	35,905,000	43,474,000	- 17.4
Gasoline and other petroleum motor fuel (2.3) . . . . .	35,352,000	27,195,000	+ 30.0
Agricultural machinery and implements (2.3) . . . . .	34,505,000	21,271,000	+ 62.2
Coal and coke (2) . . . . .	29,955,000	23,284,000	+ 28.7
Power-driven metal-working machinery (1.8) . . . . .	27,770,000	21,917,000	+ 26.7
Boards, planks and scantlings (1.6) . . . . .	24,849,000	19,257,000	+ 29.0
Gas oil and fuel oil (1.6) . . . . .	24,342,000	17,520,000	+ 38.9
Well and refinery machinery (1.1) . . . . .	16,641,000	9,318,000	+ 78.6
Aircraft and parts (1.1) . . . . .	16,291,000	8,587,000	+ 89.7
Industrial chemicals . . . . .	14,115,000	11,327,000	+ 24.6
Cotton cloth, duck and tire fibre. . . . .	13,861,000	11,680,000	+ 18.7
Wheat flour. . . . .	11,350,000	7,877,000	+ 44.1

\* Figures in parentheses after name of commodity indicate percentage of total value of domestic exports.

The general improvement in world trade during the first half of 1937 brought with it a further demand for United States products. Both finished and semi-finished manufactures recorded gains in quantity of 35·4 per cent and 64·5 per cent respectively over the 1936 exports for the same period. Manufactured foodstuffs and beverages and crude materials registered increases of 21·4 per cent and 12·5 per cent respectively. Crude foodstuffs was the only group to show a decline, the decrease being about 14·8 per cent.

Exports of automobiles, parts, and accessories, except tires, replaced unmanufactured cotton as the leading export from the United States. Their value, \$176,060,000, was 32·6 per cent above the 1936 value of \$132,820,000 and constituted 11·7 per cent of the total exports. Exports of passenger cars and chassis and motor trucks and buses were exceptionally large. Engines showed an increase of 57·4 per cent of the 1936 period.

During the first half of 1937 the United States exported 1,354,000,000 pounds of unmanufactured cotton at \$175,849,000 as against 1,297,642,000 pounds at \$154,082,000 in 1936, an increase of 14·1 per cent by value and 4·4 per cent by volume. The small increase in the exports of this product may be attributed to the fact that more foreign than United States cotton is being used in overseas mills.

Exports of machinery, constituting 15 per cent of the total export trade of this country, increased 38 per cent in value. Electrical machinery and apparatus valued at \$55,125,000 showed a gain of 26·8 per cent over the 1936 exports valued at \$43,470,000. This group included such commodities as batteries, motors, refrigerators, and radio receiving sets and parts. Exports of

agricultural machinery and implements amounted to \$34,505,000 for the first half of 1937, as against \$21,271,000 for the like period of 1936, a gain of 62·2 per cent. In this group gains were made by horse and power ploughs, and tractors. Other types of machinery showing gains were power-driven and metal-working machinery, well and refinery machinery, and construction and conveying machinery.

United States exports of metals and manufactures were one of the chief features of the 1937 six months' foreign trade. The value of the exports showed an outstanding gain of 110·7 per cent over 1936 and constituted 15 per cent of the total exports. Iron and steel plates, sheets, skelp and strips valued at \$40,-909,000 increased by 70·1 per cent over the 1936 amount of \$24,045,000. Iron and steel scrap increased 244·9 per cent from \$11,857,000 to \$40,896,000 for the period under review. Pig iron exports were valued at \$7,370,000 for the first half of 1937, as against \$24,000 for the like period of 1936. Tubular products, structural iron and steel, and bars and rods were other metal manufactures that registered increases in export over last year. Refined copper in ingots, bars, and other forms amounted to \$38,335,000 for the six-month period of 1937, as against \$17,651,000 for the similar period of 1936.

The trend of petroleum exports continued upward during the first half of 1937. The exports of crude petroleum for the period amounted to \$40,373,000, as against \$28,786,000 in the 1936 period. The demand of expanding oil industries abroad accounted for this large increase in the exports of this product. Lubricating oils, gasoline, gas oil and fuel oil, and illuminating oil all registered gains in the exports for the 1937 period.

Other commodities showing increases in exports over last year were coal and coke, textiles, chemicals and related products, and certain foodstuffs.

#### UNITED STATES IMPORT TRADE

The total value of imports into the United States for the first half of 1937 recorded increases ranging from 24·7 per cent for North America to 163·4 per cent for Oceania. However, the share of Europe and North America in the United States import trade declined somewhat, while a larger share of the imports came from Asia, South America, Africa, and Oceania.

The following table shows the United States imports from British Empire countries and other principal foreign countries for the January-June period of 1937, as compared with the corresponding period of 1936:—

#### *United States Imports from British Empire Countries*

	Jan.-June, 1937	Jan.-June, 1936	Increase Per Cent
Total from all countries . . . . .	\$1,623,946,000	\$1,153,359,000	+ 40.8
Canada* . . . . .	208,997,000	159,767,000	+ 30.8
United Kingdom . . . . .	109,742,000	92,757,000	+ 18.3
British Malaya . . . . .	115,472,000	74,798,000	+ 54.4
Australia . . . . .	28,015,000	10,591,000	+164.5
New Zealand . . . . .	12,862,000	5,073,000	+153.5
South Africa . . . . .	8,304,000	3,753,000	+121.3
British India . . . . .	55,154,000	35,811,000	+ 54.0

#### *United States Imports from Other Principal Foreign Countries*

	Jan.-June, 1937	Jan.-June, 1936	Increase Per Cent
Argentina . . . . .	\$ 82,410,000	\$ 27,062,000	+204.5
Brazil* . . . . .	60,717,000	49,306,000	+ 23.1
France* . . . . .	35,961,000	28,680,000	+ 25.4
Germany . . . . .	43,679,000	35,819,000	+ 22.0
Belgium* . . . . .	41,901,000	26,036,000	+ 60.9
Netherlands* . . . . .	28,406,000	20,505,000	+ 38.5
Italy . . . . .	24,495,000	18,102,000	+ 35.3
Soviet Russia . . . . .	12,293,000	11,905,000	+ 10.8
Japan . . . . .	106,340,000	78,898,000	+ 34.8
China . . . . .	59,482,000	43,149,000	+ 37.9

\* Countries having reciprocal trade agreements with the United States.



The United States Department of Commerce reports that imports into this country from foreign countries having trade agreements with the United States have increased 34 per cent over the January-June period of 1936, and imports from non-agreement countries have increased 52.1 per cent for the period. Imports from Canada amounted to \$208,997,000 for the first half of 1937, compared with \$159,767,000 for the like period of 1936, a gain of 30.8 per cent. Imports from British Malaya totalled \$115,472,000, a gain of 54.4 per cent; and those from the United Kingdom amounted to \$109,742,000, an increase of 18.3 per cent. Other percentage increases credited to British countries included the following: Australia, 164.5; New Zealand, 153.5; South Africa, 121.3; and British India, 54.

United States imports from other principal foreign countries showed gains ranging from 10.8 per cent to 204.5 per cent, the chief ones being as follows: Argentina, \$82,410,000, a gain of 204.5 per cent; Belgium, 60.9 per cent; Netherlands, 38.5 per cent; China, 37.9 per cent; Italy, 35.3 per cent; Japan, 34.8 per cent; and France, 25.4 per cent.

#### IMPORTS OF PRINCIPAL COMMODITIES

The following table shows the values of the chief imports into the United States for the January-June period of 1937, as against the corresponding period of 1936:—

#### *Twenty Chief Imports According to Value, January to June*

Commodity and Rank*	Jan.-June, 1937	Jan.-June, 1936	Increase Per Cent
Crude rubber and latex (7.1) . . . . .	\$115,971,000	\$ 68,338,000	+ 69.7
Cane sugar (6.5) . . . . .	106,279,000	100,397,000	+ 5.9
Coffee (5.4) . . . . .	87,101,000	72,531,000	+ 20.1
Unmanufactured wool (4.3) . . . . .	70,025,000	25,593,000	+ 173.6
Raw silk (3.6) . . . . .	58,283,000	44,385,000	+ 31.3
Standard newsprint paper (3.5) . . . . .	56,853,000	44,318,000	+ 28.3
Undressed and dressed furs (3.2) . . . . .	52,386,000	42,409,000	+ 23.5
Tin bars, blocks, and pigs (3.2) . . . . .	52,239,000	38,895,000	+ 34.3
Wood pulp (2.8) . . . . .	46,156,000	37,476,000	+ 23.2
Raw hides and skins, except furs (2.6) . . . . .	41,616,000	29,354,000	+ 41.8
Cocoa, or cacao beans (2.0) . . . . .	33,186,000	15,011,000	+ 121.1
Corn (1.9) . . . . .	31,433,000	2,087,000	+ 1,406.1
Liquors, distilled (1.6) . . . . .	26,407,000	26,005,000	+ 1.5
Diamonds, including industrial (1.5) . . . . .	25,745,000	13,039,000	+ 97.4
Burlaps (1.4) . . . . .	22,129,000	17,171,000	+ 28.9
Flaxseed (1.3) . . . . .	21,322,000	6,522,000	+ 226.9
Meat and meat products (1.3) . . . . .	21,008,000	12,779,000	+ 64.4
Copper ore, concentrates and regulus (1.2) . . . . .	18,823,000	13,137,000	+ 43.3
Fish (1.1) . . . . .	17,221,000	13,534,000	+ 27.2
Unmanufactured tobacco (1.1) . . . . .	17,053,000	13,798,000	+ 23.6

\* Figures in parentheses after name of commodity indicates percentage of total value of imports.

United States imports of finished manufactures for the January-June period of 1937 showed an increase of 27.3 per cent in value and 26.5 per cent in quantity over the like period of 1936; semi-manufactures, 38.3 per cent by value and 26.3 per cent by quantity; crude foodstuffs, 52.5 per cent and 22.3 per cent; crude materials, 53.8 per cent and 25.2 per cent; and manufactured foodstuffs, and beverages, 26.2 per cent and 21.1 per cent. The import price increases ranged from 2 per cent for finished manufactured goods up to 24 per cent for crude foodstuffs.

During the first half of 1937 imports of agricultural products were exceptionally heavy and may be attributed to the high prices in the United States market due to short domestic supplies resulting from drought conditions. Expanding industry created a demand for larger imports of raw materials and partly finished manufactures. Concessions granted by the trade agreements was also a reason for larger receipts of various commodities.

The imports of crude rubber were the largest ever imported during a six-month period, with one exception, January to June, 1929, and were valued at \$115,971,000, a gain of 69·7 per cent over the 1936 value of \$68,338,000. The average import price of rubber rose from 14 to 19 cents per pound. Cane sugar imports amounted to \$106,279,000 for the 1937 period as against \$100,397,000 in 1936. Unmanufactured wool at \$70,025,000 showed an increase of 173·6 per cent over the January-June 1936 imports of \$25,593,000.

United States imports of standard newsprint paper amounted to 3,093,000,000 pounds, a new high mark, valued at \$56,853,000, compared with 2,546,192,000 pounds at \$44,318,000 for the like period of 1936, a gain of 21·5 per cent by weight and 28·3 per cent by value. The half-year imports of wood-pulp amounted to 1,116,000 tons at \$46,156,000, compared with 1,023,585 tons at \$37,476,000 in the corresponding period of 1936, a gain of 43·2 per cent by weight and 23·2 per cent by value.

Imports of furs amounted to \$52,386,000 and was 23·5 per cent above the 1936 value of \$42,409,000. Raw hides and skins at \$41,616,000 increased by 41·8 per cent over the 1936 value of \$29,354,000, and were the largest since 1930.

Imports of foodstuffs were much greater in the first half of 1937 than in 1936, especially heavy increases occurring in certain grains and preparations, oilseeds and vegetable oils, and fodder and feeds.

Imports of cattle totalled 315,000 head at \$9,857,000, compared with 285,070 head at \$8,691,000 in 1936, a gain of 10·5 per cent by volume and 13·4 per cent by value. However, imports of beef cattle were 17 per cent smaller than in the previous period, the increase in the total being due to much larger receipts of calves, stockers, and feeders.

Among a few commodities which showed decreases since the 1936 period were the imports of crude petroleum, which registered a decline in both volume and value; sawed boards and lumber showed a decline in volume but an increase in value; and iron and steel products showed a decrease in volume.

The above report is based on information received from the Foreign Commerce Department, Chamber of Commerce of the United States, and on official statistics published by the Bureau of Foreign and Domestic Commerce of the United States Department of Commerce.

## **UNITED KINGDOM MARKET FOR CANNED FRUITS AND VEGETABLES**

BY CANADIAN TRADE COMMISSIONERS IN THE UNITED KINGDOM

### **III. West of England Market**

L. H. AUSMAN, ASSISTANT TRADE COMMISSIONER, BRISTOL

Generally speaking, the bulk of the market for Canadian canned goods in the West of England is confined to a few of the more staple lines such as tomatoes and tomato products, peaches, pears, and gallon apples. There are, of course, other Canadian canned fruits and vegetables offered for sale in the shops, including canned peas, beans, corn, cherries, apricots, orange and sauerkraut juice, pork and beans, infant foods, and many others, but as each of them accounts for only a small percentage of the total, they can hardly be considered a factor in the trade.

#### **NOTES ON IMPORTANT COMMODITIES**

The condition of the canned goods market in the West of England during the past year and the present situation with regard to the staple Canadian lines



is indicated briefly in the following paragraphs. Prices where given were in effect in early September.

#### CANNED FRUITS

*Peaches.*—Canadian peaches are finding a ready welcome on this market, and wherever they have been introduced they have met with appreciation. It is gradually becoming known that the Canadian peach is a different fruit than its Australian and Californian rivals, its flavour being far superior. Current prices for choice peaches in heavy syrup are: Canadian, 8s. 6d. per dozen, and Australian 7s. 6d. per dozen, duty paid on sugar content; Californian, 8s. 1½d. per dozen, duty paid.

*Pears.*—The prices of choice Bartlett pears are: Canadian, 8s. 10½d.; Californian, 8s. 9d.; and Australian, 7s. 6d., duty paid. Canadian Keifers are offered at 6s. 10½d. Canadian Bartletts are said to suffer from an irregularity of pack.

With regard to pears and peaches, both light and heavy syrups are in demand, depending upon the taste of the consumer. The cost of the latter, including the extra duty on the added sugar, works out at about ½d. per tin higher.

*Gallon Apples.*—During the past season business with Canada in gallon apples was difficult owing to the large English pack and the low prices at which these were selling. Early in the season Canadian quotations were 16s. to 16s. 6d. c.i.f. as against English at 15s. 9d. delivered. The English pack was eventually disposed of and then better business was done in Canadian, choice British Columbia pack making 18s. 6d.

Canadian apples from Nova Scotia, Ontario, and British Columbia are offered on this market, the Ontario variety usually commanding a higher price. The Oregon pack is very popular, and although the price is lower than for British Columbia fruit, the duty of 25 per cent makes the laid-down cost more.

*Tomatoes.*—During the early part of last season Canadian packers of tomatoes were unable to reap the full benefit of the stoppage of shipments from Italy to this country owing to the drought in Canada and the shortage of supplies from the Dominion. Last fall too this market was still receiving considerable consignments of Spanish tomatoes. Since the beginning of the year, however, supplies from Spain have almost ceased and increased business has been done in Canadian tomatoes, both spot and forward, in spite of the fact that Italian brands are now competing very closely in price with the Canadian product.

Italian packers seem, in fact, to be making a determined effort to get back the English trade which, in part, was lost for several seasons to Spain. Although the Italian tomato is considered by some to be superior to the Spanish variety, the Canadian pack has a fine flavour, and local brokers are of the opinion that the increased business that has been done in Canadian tomatoes is not solely dependent upon the present difficulties in Europe.

In spite of the fact that there have recently been offers of the plum peeled type of tomato from Canada, it is generally felt that if this variety is wanted in particular, buyers will have one or other of the Italian packs. Canadian tomatoes will be accepted on their own merits, and although there is still room for further improvement, the experience of importers has been that a more solid pack is now being offered.

At the time of writing, the first shipments of the new season's Canadian pack are being anxiously awaited, and prices for 2½ tins are quoted at 4s. 6d. c.i.f. as against 4s. 4½d. c.i.f. for Italian. Italian 3's are 4s. 8d., 1½'s are 2s. 9d., and picnics 1s. 7½d., all c.i.f. and subject to an ad valorem duty of 10 per cent; the Canadian product enters duty free.

*Other Tomato Products.*—Several of the internationally known packing firms which supply this market from domestic or United States plants have their tomato products put up in Canada. This includes, in addition to canned tomatoes, tomato juice, catsup, chili sauce, and soup.

Tomato juice is very gradually increasing in demand, but as yet it is only rarely seen on hotel or restaurant menus in the West of England. In some hotels it is more frequently found in the bar than in the dining-room. Tomato catsup is very popular and the well-advertised brands are sold in large volume. Chili sauce, or chutney, as it is more frequently called in this country, is not widely used but the demand may be said to be increasing. Most of the brands of tomato soup on the market are of Canadian origin, and as this is one of the popular varieties of soup, sales are satisfactory.

#### IV. The North of England Market

C. B. BIRKETT, ASSISTANT TRADE COMMISSIONER, LIVERPOOL

The consumption of canned goods in the North of England has grown considerably in the past few years, and continues to increase. The opposition which ruled against this form of food distribution ten years ago has been reduced to a vanishing point. The extensive advertising carried on, continually bringing the virtues of canned foods to the attention of the public, has been an important factor in increasing the consumption. Another factor has been the gradual change in living habits. A large section of the public nowadays is made up of small families, living in small flats and houses, with the housewife spending a minimum of time in her kitchen. Canned foods readily commend themselves under the influence of such conditions.

Having regard to the canned fruits and vegetables with which Canadian exporters compete in the North of England market, the greatest source of supply is the United States. Australia and Canada, the next two countries in importance, have made, however, considerable inroads in recent years. This has been the direct result of energetic sales efforts favoured by the tariff preference, and the improvements in the quality and pack of the goods offered.

#### THE 1936-37 SEASON

The market for canned fruits and vegetables in the North of England during the 1936-37 season was a moderately good one. The outstanding features were the substantial increase in the sales of Australian fruit, chiefly peaches and pears, and the very good demand that developed for Canadian tomatoes and tomato products.

At the close of 1936 Australian fruit was quoted on the market at prices which compared very favourably with those of Canadian and Californian fruits, and from then on found a ready sale. These prices were maintained throughout the season and large shipments during the spring and early summer were disposed of. Californian prices opened last September at reasonably low levels, but rose towards Christmas time as a result of the strike situation on the Pacific Coast and the consequent freight hold-up. As it turned out, these difficulties did not materially affect the shipments of United States canned goods, but their prices remained high throughout the rest of the season, and sales being confined largely to the better-class trade, reductions occurred in several items, including apricots, peaches, pears, and apples. In other fruits such as pineapples, fruit salad, grapefruit, and fruit cocktail the United States suppliers did a good trade. Canadian fruits, with the exception of peaches, ranged in price between the Australian and the Californian and met a satisfactory demand.



## RECENT DEVELOPMENT

The most important recent development has been a notable increase in the sale of Canadian and Australian pears—a trade in which Canada has never figured prominently. Even with the increased demand met during the past season, she still holds a relatively unimportant position. In the case of Australian pears, the increase to a large extent is undoubtedly due to the marketing scheme introduced large autumn by the Australian Canned Fruits Control Board, whereby a reduction in price was offered on orders of 5,000 cases or more. A factor affecting the sale of pears from both countries is the decided preference which exists for pears when the price is on a level with that of peaches. Australian pears are of the Bartlett variety and compete very favourably with the Californian in the Standard and lower grades, but California continues to dominate the market for the high-grade article.

The preference for pears at the price level prevailing during the past season caused a marked decrease in the sale of United States and Canadian peaches. The shipments of peaches from Australia, on the other hand, registered a slight increase over the 1935-36 season, largely owing to the low prices quoted. Canadian and United States peaches grade higher than the Australian and their sale is confined to the high-class shops. The sales of Canadian brands, however, are very small in comparison with those of the United States.

Canadian loganberries have done well in the past two seasons. Principal factors in this have been the very high quality of the loganberries offered and the indifferent quality of the United States pack owing to successive crop failures.

## NOTES ON IMPORTANT COMMODITIES

Reviewing the prospects during the coming season for the individual fruits and vegetables, the future can only be regarded in the light of past experience. Given normal buying power, the public is likely to continue to increase its purchases for a few years yet and sales will be more or less in accordance with the order of relative importance of the individual commodities concerned set up in recent years. This order of importance is roughly as follows: pears, peaches, pineapples, fruit salad, grapefruit, apricots, apples, loganberries, tomatoes, peas, beans, and asparagus. Those of special interest to Canada are dealt with separately in the following notes. Prices where given were effective during the latter part of September.

## CANNED FRUITS

*Peaches.*—Australian old crop is well cleared. Californian prices for new pack opened in August at 8s. 5d. per dozen, 2½'s duty-paid Choice quality, but have advanced to around 8s. 8d. This price is considered a little high and buyers are waiting. Canadian Choice quality is offered at 9s. 1d. per dozen 2½'s. It is expected that Australia and California will meet most of the demand again this year, the former country figuring prominently in the low-grade market. Prices of the new crop Australian have not been quoted yet.

*Pears.*—Australian old crop is sold out. Californian Bartletts Standard quality are offered at 8s. per dozen 2½'s landed duty paid. Sales, however, are slow, and in view of the good crop reports from the United States, buyers are looking for a drop in price. Canadian Choice Keifers are quoted at around 7s. per dozen, landed duty paid. It is expected that the improved demand for Canadian pears that developed during the past season will be maintained in the coming one. The bulk of the business, however, as usual, will be in Bartletts from Australia and California.

*Apples.*—Canadian apples have been selling well during the past season in competition with the Oregon pack. The Oregon 1937 pack are quoted at 22s.

duty paid per dozen 6-pound tins sweetened; unsweetened, 22s. 9d. Canadian prices have been in the neighbourhood of 16s. to 18s., and the new crop prices are at the same level. It is possible that the Oregons may ease in price, and therefore give the Canadian more competition. There is a small quantity of 1936 pack Oregons being offered at 21s. 6d. duty paid.

*Loganberries.*—Canadian loganberries have been in a strong position for the past two years. There is no evidence this year of the United States offering supplies in any quantity. A nominal price for the 1937 American pack is 7s. 10½d. plus duty for 2's, at which price a little business has been done. Canadian offerings for 1937 pack at 7s. 3d. for 2's, Fancy quality, should be well received.

#### CANNED VEGETABLES

With regard to canned vegetables, tomatoes and tomato products are of chief interest. Largely owing to a reduction in shipments from Spain in the opening months of last season and a reduction in the offerings from Italy towards the close of the year, Canadian tomatoes met a substantially increased demand. This demand soon exceeded the available supply and by February only orders for the 1937 crop were being accepted. Prices advanced only slightly. The consumption of puree and juice still grows steadily. Beans with pork, asparagus, peas, mushrooms, etc., were in normal demand, and, with the exception of peas, all were obtained from the United States and Canada. The trade in canned peas was notable for the further improvement in the position of the English canners.

*Tomatoes.*—The much-improved demand for Canadian canned tomatoes in the 1936-37 season was the result of the cut-off in the Spanish supplies last autumn and the shortage in Italian offerings which made itself felt at the end of 1936. New crop Italian tomatoes are being quoted at 4s. 6d. per dozen 3's plus duty; 4s. 4½d. for 2½'s plus duty. The present price of 5s. per dozen for Canadian 2½'s is considered a little high and very little business has been done at this level. While there will be no Spanish tomatoes on the market this season, the Italian will be in good supply. It is expected, however, that the market will easily absorb all shipments arriving from both Canada and Italy. Comparisons are still drawn between Canadian and Italian types of tomatoes and their packing, the consensus of opinion being that the small Italian tomato packed solidly is preferred to the Canadian, which is a softer pack containing considerable liquid.

It should be said, however, that the flavour of Canadian tomatoes is well liked and the extra juice contained in the tin is very popular with a certain section of the public in the North of England, especially the miners. A point of great interest is that one of the largest Italian canners this year is packing 2½'s only. It has been the practice heretofore for the Italians to pack 3's, and considerable discussion has been going on for a long period as to which size of tin is best suited for the needs of this market. While the majority of Italian tomatoes will still be packed in 3's, this departure by one of the largest shippers supports the Canadian view that the 2½-size is the better one. Another size of tin, and one which is growing in popularity, is that known as the ¼-kilo. The Spanish shippers used to do a fair trade in this pack and now the Italians have taken it up. The tin contains about six small tomatoes well packed.

With regard to tomato products such as puree, ketchup, soups, etc., the relative positions of the supplying countries have not changed materially. Canada is by far the greatest source of supply of these products, Italy and the United States making a poor second and third respectively.

*Beans with Pork.*—Good-quality American brands are quoted at 2s. 5d. per dozen 1's, plus duty, or approximately 2s. 7d. duty paid. About 70 per cent



of the trade, however, goes to a well-known English pack and an American brand put up in this country at prices from 2s. to 2s. 6d. per dozen 16-ounce tins. The rest of the business is shared by American and Canadian suppliers. Shipments from the United States consist largely of a brand of medium quality priced at about 2s. duty paid. Canadian beans are well liked and the limited demand for them to-day shows no signs of lessening.

*Asparagus*.—Californian asparagus has been predominant on this market for years and meets a steady demand. Nevertheless, it is feeling the competition with the Canadian pack which is now well established and gaining in popularity. Californian prices recently quoted for the 1937 pack range from 8s. 4½d. and 15s. 4½d. duty paid per dozen 10½-ounce and 1's and 2½'s. The large Californian asparagus sells up to 21s. 6d. duty paid for 2½'s. The Canadian product is greener in colour than the Californian, and is expected to further improve its position at prices slightly below those of the American product.

*Peas*.—Canadian peas, while they suffer in competition with the English brands, are in fair demand. They are of good quality and taste and on this basis are well regarded by the better-class shops. The price for Canadian standard 2's is 5s. 6d. per dozen. English peas of a corresponding grade are quoted at 6s. 4d., and will, as in the past season or two, satisfy the bulk of the demand for the reason of their greener, and therefore fresher, appearance.

*Corn*.—Canned sweet corn and corn on the cob is making slow progress in the North of England market. Expansion in sales, however, is looked for as the public gradually develop a taste for it. Canadian corn on the cob is priced at 9s. 6d. c.i.f. per dozen 3's and at 6s. 6d. per dozen 2's. This product competes favourably with American corn on the cob at an even price, duty paid. Canadian sweet corn is priced c.i.f. at about 6s. 3d. per dozen 2's and United States at 6s. 11d. duty paid. In spite of the spread in price, there appears to be a preference for the United States corn. With regard to the cobs, the preference is for the Canadian.

## V. The Scottish Market

G. B. JOHNSON, CANADIAN TRADE COMMISSIONER, GLASGOW

Generally speaking, there is a higher standard of canned fruits consumed in Scotland than in any other part of the United Kingdom. During the past season trade in Canadian canned fruits and vegetables on the Scottish market might have been larger had the crop and production been greater. The crop and pack were curtailed, however, as the result of the drought. On the whole, Canadian products last season, and for many years past, were well received in Scotland. The main opposition was, and still is, from Californian packers, and imports of Californian canned fruits over their whole range are reported to have been greater last season than they have ever been. This does not apply, however, to the fruits in which Canada is mainly interested—apples, pears, and peaches—as arrivals of Californian have been fairly steady for some years past, there having been a slight increase in apples and a decline in pears and peaches, as the following table shows:—

*Canned Fruit Imports into Scotland, 1934 to 1936*

	Canada			United States			Australia		
	1936	1935 Cases	1934	1936	1935 Cases	1934	1936	1935 Cases	1934
Apples . . . . .	42,930	46,479	49,027	92,262	95,069	85,997	.....	100	250
Loganberries . . . . .	329	508	1,461	1,088	455	549	.....	.....	.....
Peaches . . . . .	1,150	2,645	350	95,053	80,195	103,340	15,015	18,948	18,277
Pears . . . . .	31,866	29,373	24,140	161,585	130,075	170,578	14,715	20,988	23,439

In addition: Peaches from Chile in 1936, 434 cases; apples from South Africa in 1936, 50 cases.

NOTE.—There are no available statistics regarding the imports into Scotland of canned vegetables.

The general growth in the Californian trade, it may be remarked, has occurred despite the British import duties on non-Empire products, and may, of course, have been due to the increased consumption of canned fruits in Scotland, assisted by the more favourable prices prevailing for Californian.

In the early part of 1937 the Australian pack, which has improved in quality, came on the market at extremely low prices and enjoyed a decided increase of sales. It should be borne in mind that Australia possesses an important if temporary exchange advantage in the British market, which gives the Australian exporter an advantage of about 23 per cent over his Canadian competitor. South African packers were not able to meet Australian competition and did not ship to this market.

Comments are appended on the products of prime importance to Canadian exporters, although because of market fluctuations, prices are omitted.

### NOTES ON IMPORTANT COMMODITIES

#### CANNED FRUITS

In those fruits in which Canada is most interested—apples, pears, and peaches—saturation point has not been reached, and it is probably safe to say that in the next five or six years the Canadian trade in these lines in Scotland may increase by as much as 50 per cent, provided there is no decline in publicity for them.

*Apples.*—These are used almost exclusively by the baking trade. The apples are packed in gallon or No. 10 tins containing 100 ounces, of which 94 or 96 ounces are solid fruit and the balance juice which results from the pressure during packing. The solid pack is now universally in demand. A firm, tart apple is required, and the best varieties appear to be the Baldwin, Spy, Greening, and Yellow Newtown. Saturation point for canned apples has not been reached in Scotland and larger quantities from Canada would easily find a market.

*Pears.*—Bartlett pears are strongly preferred here. The uniform shape, white colour, and small number of grit cells of this variety make them popular. Another variety called the Keifer is not in much demand as its colour and texture are not so good and it is smaller in size than the Bartlett. Next to canned apples, Canadian Bartlett pears are the most important of all canned fruits shipped to Scotland from Canada.

*Peaches.*—Canned peaches have grown a little in popularity and among epicures are considered the best-flavoured peaches on the market. There is, however, a decided preference for the cling-stone variety canned in California over the free-stone kinds produced in Canada, as the cling-stone peach retains its firmness after processing much better, and the juice remains clear in contrast with the "cloudy" appearance of that of the Canadian peach. Unhappily, food products are sold as much on appearance as on flavour. As shown in the foregoing table of imports, California sells about fifty times the quantity of canned peaches in Scotland as does Canada. If the necessary quantities are available, the remedy seems to be to get Canadian peaches into the homes of those who now buy other varieties by advertising and, to begin with, lower prices. As Empire peaches come in free<sup>1</sup> and Californian are assessed at a duty of 15 per cent<sup>1</sup>, it should not be impossible to adopt these two suggestions.

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<sup>1</sup> Added sugar content is subject to sugar duty in each case.



*Other Canned Fruits.*—The market in Scotland for Canadian canned loganberries has never been large, but it appears to be declining as a result of competition from English firms canning English-grown loganberries at lower prices. Many buyers here would rather buy English if price and quality are reasonable. The same competition applies to other small fruits such as strawberries, raspberries, cherries, and plums, and it is unlikely that Canadian canners could make any headway against them. Canadian canners, therefore, should confine their efforts in this market to the larger fruits.

#### CANNED VEGETABLES

*Peas.*—Although canned peas, the quality of which is excellent, are coming into Scotland from Canada, the English canners have made this trade their own. While the quality of English-grown peas is good and prices are reasonable, it is reported that to a large extent the English canners bring in dried peas from abroad, mainly Japan, which are processed here and canned. The prices of these are so low that the Canadian variety cannot compete. English packers are evidently finding this a lucrative trade, since one of the largest producers has just completed in Sheffield an up-to-date factory costing about £100,000.

*Beans.*—This is another vegetable that the English canning companies are making the most of, although Canadian and American brands are on the market. Baked beans are more widely consumed than any other type of canned vegetable in this country and the trade is now dominated by the English canners.

*Tomatoes.*—For some reason Scotland, proportionately to population, consumes far less canned tomatoes than does England. Italy and Spain in that order have been the chief sources of supply, with Italy exporting what is considered to be the standard for this country. The flavour of Canadian tomatoes is admittedly superior to all others, but the objection on the part of the trade is that the tins contain far too much juice in proportion to substance.

It is stated that the quantities available this year from Spain and Italy will be small, owing to the difficulty of obtaining tinplate, civil war in the former country, and financial embarrassment in the latter.

Merchants are experiencing a declining trade in peeled tomatoes, which they attribute to the growing popularity of proprietary brands of canned soup. However, with Italy and Spain in their present condition, an increased business in Canadian packs might be done, more especially if the "plum" variety were available.

*Tomato Puree.*—There is a good market in Scotland for Canadian firms willing to supply tomato puree of the required degree of concentration and out of the best materials. Anything else would find no market.

*Other Canned Vegetables.*—Corn on the cob is an article of diet quite unknown in this country and so any taste for corn in tins has had to be developed. There is, however, a growing demand in Scotland for canned corn, although the trade at present is not of large dimensions.

The sale of Canadian string beans in Scotland is very small, probably not more than about 50 cases per annum.

Most of the asparagus sold in Scotland is of United States origin, although it is understood that Canadian asparagus is sold to some extent. The United States product is of the white variety and commands a ready market.

## CANADIAN DOORS ON THE BRITISH MARKET

C. B. BIRKETT, ASSISTANT TRADE COMMISSIONER

Liverpool, October 19, 1937.—Since 1932 there has been a steady increase in the demand in this country for Canadian-made doors of standard patterns, and the record of imports from that year up to and including 1936 indicates the extent to which Canadian manufacturers of doors have participated in the extensive building programs that have been carried out in Great Britain.

### IMPORTS

The following table gives statistics of the imports of doors from the principal supplying countries in 1935 and 1936:—

	1935		1936	
	No.	£	No.	£
Total . . . . .	1,919,526	683,990	2,543,255	978,496
Canada . . . . .	899,510	330,144	1,677,566	656,176
Sweden . . . . .	504,980	193,139	521,555	195,450
United States . . . . .	426,268	115,976	237,976	73,212
Finland . . . . .	50,480	19,068	59,415	22,285
Yugoslavia . . . . .	19,402	10,495	12,641	7,449
Poland (including Danzig) . . . . .	1,182	620	9,035	5,389
Netherlands . . . . .	56	135	9,984	3,585
Germany . . . . .	5,687	5,102	7,682	7,257
Czechoslovakia . . . . .	1,596	843	3,441	2,627
Austria . . . . .	6,959	6,387	1,631	1,589
Hungary . . . . .	340	482	1,407	2,377

As shown in the above table, the total imports of doors during 1936 reached 2,543,255 as compared with 1,919,526 in 1935, an increase of 623,729 or over 32 per cent. The increase in value was £294,506 or approximately 43 per cent. A comparison of these percentages reveals the appreciation in prices.

The feature of the statistics is the prominent position occupied by the Dominion and the large increase in her shipments over those of 1935. This increase exceeds any other made by Canada since she first became an important source of supply in 1933. It will be noted that, while the total increase in doors imported from all countries in 1936 was 623,729, Canada's share increased by 778,056; this increase was largely at the expense of United States shippers, whose record since 1933 has been one of continuous decline. From first position in the trade, the United States has fallen to third place, following Canada and Sweden.

The following table shows the comparative imports during the period January to August, 1935, 1936, and 1937:—

	January to August			January to August		
	1935 No.	1936 No.	1937 No.	1935 £	1936 £	1937 £
Total . . . . .	1,106,042	2,005,628	1,348,956	394,046	776,151	568,946
Canada . . . . .	513,048	1,300,795	958,800	185,886	523,022	404,261
Other British countries . . . . .	265	11	688	159	23	277
Sweden . . . . .	281,681	367,894	331,050	110,709	137,933	132,201
United States . . . . .	256,403	257,027	10,083	68,324	75,670	3,305
Other foreign countries . . . . .	54,645	79,901	48,335	28,968	39,503	28,902

Comparing imports for the first eight months of 1937 with those of the corresponding period of 1936, Canada's share has been reduced by 341,995 doors and that of the United States by 246,944. These reductions account for practically the total decrease of 656,672. It is significant that, in spite of this considerable drop in total imports, those from Sweden fell by only 36,844. In fact, Sweden's record in the British door trade during the sixty-odd years she has participated in the trade has been one of fairly steady volume unmarked by any serious rise or fall in prices.



# REVIEW OF TRADE

At the end of 1936 the United Kingdom market was oversupplied, this situation being attributed chiefly to the heavy increase in shipments from Canada. Adding the abnormally large imports during that year to the estimated yearly output of the English door manufacturers, the available supply stood at 3,543,255 as compared with 2,919,526 at the end of 1935. The peak in imports was reached about May, 1936, and since then they have declined steadily.

During the first eight months of 1937, the demand for doors has been about average, but below that of 1936. In the closing months of the year it is expected that the demand will fall off. Nevertheless, there is still a large number of corporation building schemes to be completed, and after the year-end lull the demand for this purpose will probably be maintained. Speculative builders, however, are not so busy, and indications are that there will be a decided decrease in their activities. This will make a serious difference to those Canadian firms whose doors are not on the approved list, as they will be unable to share in the corporation schemes, most of which call for either an "approved" door or one of domestic manufacture.

## PRICES

There have been many fluctuations in price this year in British Columbia doors, although they have by no means touched the low levels of previous years. Prices of doors from Eastern Canada have been steady. At present mill prices are high, and in some quarters it is expected that they will make up for the lessened demand. It is not unlikely, however, that reductions will occur in spite of the present cost of materials and labour and freight difficulties.

The competition from local manufacturers is probably increasing, as some of them have considerably increased their production. Many factories produce a very good door at a price equivalent to that of the imported product. Some makes are considered inferior, but as they are being sold at a reduction of from 12 to 24 cents, output may be steady for the standard pattern of interior doors, viz., 44, 66, etc.

## SPECIAL TYPES

Production of special types of doors is increasing, but these can hardly be considered by Canadian mills due to the small quantities of each size and/or pattern in demand. Domestic manufacturers and Swedish mills cater especially for this branch of the trade. Competition from Swedish mills in the standard pattern for interior doors is not a serious factor.

Very few shipments of doors are now coming from the United States.

## IMPORTS OF DOORS INTO THE PORT OF LIVERPOOL

The following statistics show recent imports into the Port of Liverpool (values c.i.f.):—

	Sept., 1937	Jan.-Sept., 1937	Sept., 1936	Jan.-Sept., 1936
Total.. . . . .	£11,029	£99,260	£9,638	£122,879
Canada.. . . . .	8,843	69,630	7,503	92,168
Finland .. . . . .	447	3,172	.....	254
Germany .. . . . .	.....	.....	26	372
Yugoslavia .. . . . .	.....	.....	.....	55
Poland .. . . . .	.....	.....	.....	275
Sweden .. . . . .	1,739	26,290	2,109	23,217
United States.. . . . .	.....	168	.....	6,538

## AGRICULTURAL SITUATION IN AUSTRALIA

L. M. COSGRAVE, CANADIAN TRADE COMMISSIONER

(One Australian £ equals \$3.96)

Sydney, September 16, 1937.—The agricultural position in the Commonwealth of Australia discloses a number of extremely satisfactory features which, combined with the firm prices ruling for Australia's two staple exports—wool and wheat—presages a continuation of the prosperous conditions prevailing in all States of the Commonwealth. It is not anticipated that exports during the coming season will be less than for last season.

### DAIRY PRODUCTS

Official figures showing the number of dairy cattle throughout the Commonwealth will not be available for the present season for some months, but figures for the past five years show a steady and consistent increase in the number of dairy cattle in all states, as follows: 1931-32, 2,881,272; 1932-33, 3,101,003; 1933-34, 3,265,932; 1934-35, 3,396,331; 1935-36, 3,437,224.

In the States of New South Wales, Victoria, and South Australia, and Tasmania, the percentage of dairy cattle, as of all cattle, is extremely high, while in Queensland, Northern Territory, and Western Australia, there is a greatly preponderating number of other cattle, the main purpose in these areas being production of beef.

The annual quantity of milk produced was at one time considerably under 300 gallons per animal, but in recent years improvement in quality of cattle and use of the latest scientific methods has greatly increased the yield, which is now between 390 and 400 gallons per cow.

Butter production for the official season 1936-37 was estimated at 393,000,000 pounds, a decrease from the figures for the years 1932-35, due primarily to drought conditions. Production during the past five years has been as follows: 1931-32, 390,654,070 pounds; 1932-33, 419,674,803; 1933-34, 450,936,428; 1934-35, 469,078,732; 1935-36, 433,722,475; 1936-37, 393,000,000 pounds. Exports for the season 1936-37 are officially reported at 174,309,000 pounds, compared with the preceding five years: 1931-32, 201,639,404 pounds; 1932-33, 226,329,334; 1933-34, 244,299,732; 1934-35, 262,518,906; 1935-36, 212,646,177 pounds.

### WOOL

The production of wool of all grades amounted to an approximate total of 975,000,000 pounds for the season 1936-37. Figures for the previous five years were as follows: 1931-32, 1,007,455,847 pounds; 1932-33, 1,062,622,628; 1933-34, 995,931,156; 1934-35, 1,015,424,373; 1935-36, 971,053,563 pounds. The official wool-selling season has just opened, and it is expected that the past season's prices will be fully maintained, and the total value for the current season will amount to not less than £A66,000,000.

### EGGS

The production of eggs throughout the Commonwealth is not available from official sources, but it is estimated that from 60,000,000 to 70,000,000 dozen were produced in 1936-37. Exports during the past six years were as follows: 1931-32, 9,921,829 dozen; 1932-33, 16,844,288; 1933-34, 19,617,032; 1934-35, 21,718,740; 1935-36, 17,365,132; 1936-37, 16,473,894 dozen.

The average price per long hundred of Australian eggs in London has shown a steady reduction during the past six months, for which the figures available are 12s. 3d. per long hundred in September, 1936, as compared with 8s. 3d. per long hundred in February, 1937, the latter being the lowest figure recorded during the past five years.



## CANNED FRUITS

The depressed and overstocked condition of the British market in canned fruits during the latter half of 1936 prevented complete clearance of heavy Australian surpluses produced in that year, and, consequently, canners entered the current season (1937) with a carry-over of stocks. These consisted of apricots and pears, a substantial pack of peaches having been cleared.

The unsold apricots caused processors no concern, for they faced a definite shortage of fresh fruit supplies for the 1937 season. With respect to pears the position was not so satisfactory, for, despite record oversea sales of this variety for 1936, the carry-over in the aggregate was of appreciable dimensions.

The canned pear production in 1937 was 807,244 cases, which closely approximates the record pack of the immediately preceding season. In conjunction with the unsold carry-over stocks, this heavy output gave processors one of the most severe tests they have experienced in effecting the complete and satisfactory disposal of their respective packs before the following season's fruits are available. It is, however, officially stated that good progress towards this objective has been made, and it is anticipated that only a nominal quantity of unsold stocks will remain on canners' hands at the beginning of the 1938 processing season.

The total unsold stocks of canned apricots, peaches, and pears in all canners' hands on December 31, 1936 (the annual date for official stock-taking) were as follows: apricots, 126,638 cases; peaches, 13,572; and pears, 222,460 cases—a total of 362,670 cases (one case contains 2 dozen 30-ounce tins or equivalent).

Production of canned apricots, peaches, and pears during the six years under review were: 1932, 1,154,063 cases; 1933, 2,036,679; 1934, 1,427,517; 1935, 1,875,550; 1936, 2,221,429; 1937, 2,328,292 cases.

Exports of canned apricots, peaches, and pears during the years 1932-36 were: 1932, 648,521 cases; 1933, 726,060; 1934, 1,328,014; 1935, 1,171,265; 1936, 1,133,844 cases.

A marked improvement has been shown in the general quality of production for export; stringent supervision is exercised by the Commonwealth Government inspectors, 88 per cent of the total pack for the past season having been passed as suitable for export from Australia.

The depredations of the Oriental peach moth continue to cause difficulties, particularly in the State of Victoria, although the prevalence of this pest is not now so marked as in previous seasons.

Satisfactory overseas prices are reported as influencing growers to increase plantings, and additional orchard areas are noticeable in the irrigation districts of Victoria and New South Wales.

## DOMESTIC CONSUMPTION

Domestic consumption figures for the years 1931-32 to 1935-36, inclusive, are reported as follows: 1931-32, 624,115 cases; 1932-33, 443,998; 1933-34, 634,374; 1934-35, 853,928; 1935-36, 693,054 cases, it being stated that the heavy local sales effected in the 1934-35 season were due to low and at times unremunerative prices throughout the season.

The foregoing figures are supplied as a guide in respect of Australia's competitive position in overseas markets, as the Australian consuming market is of little or no interest to Canadian exporters other than affording a limited demand for quality canned vegetables for the higher-class retail trade and certain specialties in jellies and frozen berries. Australia has now reached a high standard in the production of canned goods of all descriptions and can meet overseas competition without difficulty.

## TRADE OF THE BAHAMAS IN 1936

F. L. CASSERLY, OFFICE OF THE CANADIAN TRADE COMMISSIONER

Kingston, Jamaica, October 22, 1937.—Total imports into the Bahamas during 1936, including liquor, parcels post, and bullion and specie, were valued at £967,240 as compared with £723,762 in 1935, £728,299 in 1934, and £929,731 in 1933. The factors mainly responsible for the larger import trade done in 1936 were a building boom, which resulted in an increased sale of materials, furniture, and fittings; enhanced purchasing power of mechanics and labourers, which increased the demand for foodstuffs, apparel, and shoes; and requirements by tourists and temporary residents of the more expensive textiles, dry goods, perfumery, foodstuffs, and beverages.

Canada's share of the Bahamas import trade (including liquor) was £130,231 in 1936 as compared with £98,949 in 1935 and £135,100 in 1934. Exclusive of liquor, the Bahamas imports from Canada were £124,201 in 1936, £80,663 in 1935, and £75,430 in 1934. Domestic exports last year totalled £123,541 in value as compared with £112,837 in 1935 and £104,793 in 1934. Re-exports (not domestic produce) were £15,792, £12,451, and £43,822 in those years respectively.

The trend of the colony's import trade in the past five years is shown in the following table:—

From	1932	1933	1934	1935	1936
Canada—					
Value . . . . .	£221,444	£261,558	£135,100	£ 98,949	£130,231
Per cent . . . . .	23.6	28.1	18.5	13.7	13.5
United Kingdom—					
Value . . . . .	228,336	251,294	182,531	169,866	238,084
Per cent . . . . .	24.3	27.1	25.0	23.4	24.6
United States—					
Value . . . . .	334,789	259,935	267,773	317,612	415,161
Per cent . . . . .	35.6	27.9	36.7	43.9	42.9
Other countries—					
Value . . . . .	155,782	156,944	142,895	137,335	183,764
Per cent . . . . .	16.5	16.9	19.8	19.0	19.0
Total value . . .	£940,351	£929,731	£728,299	£723,762	£967,240
Per cent . . . . .	100.0	100.0	100.0	100.0	100.0
Less liquor imports	313,151	365,500	169,157	64,972	65,661
Net value . . . .	£627,200	£564,231	£559,142	£658,790	£901,579

Aside from liquor imports, now very much smaller than they were during the era of prohibition in the United States, the import trade of the Bahamas in the past five years was as follows:—

From	1932	1933	1934	1935	1936
Canada—					
Value . . . . .	£ 92,254	£ 88,121	£ 75,430	£ 80,663	£124,201
Per cent . . . . .	14.7	15.6	13.5	12.2	13.8
United Kingdom—					
Value . . . . .	113,864	129,687	118,738	145,725	206,191
Per cent . . . . .	18.2	23.0	21.2	22.1	22.9
United States—					
Value . . . . .	334,429	259,188	267,232	317,414	413,958
Per cent . . . . .	53.2	44.9	47.9	48.3	45.9
Other countries—					
Value . . . . .	86,653	87,235	97,742	114,988	157,229
Per cent . . . . .	13.9	15.5	17.4	17.4	17.4
Total value . . .	£627,200	£564,231	£559,142	£658,790	£901,579
Per cent . . . . .	100.0	100.0	100.0	100.0	100.0

The colony's proximity to and rapid and frequent communication with the United States are responsible for that country being the largest factor in the import trade. These advantages are especially operative in the case of certain goods (e.g. groceries), of which the Bahamas importer must buy a fairly wide assortment at frequent intervals.



## NOTES ON IMPORTED COMMODITIES

## (a) FOODSTUFFS

*Aerated and Mineral Waters.*—Total, £3,066 as compared with £2,234 in 1935 and £1,882 in 1934. The United States supplied about 60 per cent of the total value, the United Kingdom about 22 per cent, and Germany and France the remainder.

*Ale, Beer, Porter, and Stout.*—Total, 43,678 gallons valued at £9,281 as compared with 34,540 gallons (£7,527) in 1935 and 30,442 gallons (£6,836) in 1934. The United Kingdom supplied 32,258 gallons (£6,972); Germany, 5,760 gallons (£1,339); the United States, 3,431 gallons (£510); and Canada, 1,562 gallons (£318).

*Butter.*—Total, 2,103 cwt. (of 112 pounds) valued at £12,063 as against £10,018 in 1935 and £8,502 in 1934. New Zealand supplied 1,044 cwt. (£5,625); Canada, 643 cwt. (£3,862); and the United States, 118 cwt. (£1,146).

*Cheese.*—Total, 780 cwt. valued at £3,533, an increase of almost 50 per cent over 1935. Canada was the largest supplier in both years. Her total in 1936 was £2,197, the United States supplying most of the remainder.

*Coffee, Prepared.*—Total, 586 cwt. (£2,815): United States, 514 cwt. (£2,526); Canada, 57 cwt. (£207); United Kingdom, 15 cwt. (£82).

*Confectionery.*—Total, £6,047 as compared with £4,426 in 1935 and £3,901 in 1934. The United States supplied about three-quarters and the United Kingdom most of the remainder. Canada's share was £232.

*Cornmeal.*—Total, 1,866 barrels (£1,696); the value in 1935 was £1,449. The United States had about two-thirds of this trade in 1936, and Canada the remainder.

*Eggs.*—Total, 59,933 dozen (£4,189): United States, 56,393 dozen (£3,940); Canada, 3,540 dozen (£249). This trade increased by about one-third over 1935.

*Flour.*—Total, 53,378 barrels (£53,139): Canada, 41,774 barrels (£42,337); the United Kingdom, 11,478 barrels (£10,621); United States, 126 barrels (£181). Total imports in 1935 were 48,881 barrels (£45,429), and in 1934, 39,524 barrels (£35,200). Imports from the United Kingdom were in those years 18,233 barrels and 5,639 barrels respectively.

*Fish, Canned.*—Total, £3,514: United States, £1,895; Canada, £631; Russia, £542; Portugal, £158; United Kingdom, £106. Imports in 1935 were valued at £2,013, and in 1934, at £1,977.

*Fruit, Fresh, Unspecified.*—Total, £2,894: United Kingdom, £2,798; Canada, £96. Apples, pears, and peaches were the chief kinds.

*Chicken and Dairy Feed.*—Total, 21,014 bushels (£5,126): United States, 12,848 bushels (£3,156); Canada, 8,166 bushels (£1,970). Imports increased by about 12 per cent over those of 1935.

*Oats.*—Total, 14,642 bushels (£3,432): Canada, 14,584 bushels (£3,421). Imports were about the same in volume as those of the preceding year.

*Jams, Jellies, and Preserved Fruits (Unspecified).*—Total, £2,725: United States, £1,851; United Kingdom, £607; Canada, £267.

*Lard.*—Total, 9,489 cwt. (£20,273): United Kingdom, 9,087 cwt. (£19,087); remainder from Canada and the United States.

*Meats: (a) Beef and Pork, Pickled and Salted.*—Total, 2,656 cwt. (£6,180): United States, 1,261 cwt. (£3,219); Argentina, 726 cwt. (£1,468); remainder from Canada and the United Kingdom in almost equal proportions.

*(b) Meats, Canned.*—Total, £8,018: Argentina, £5,052; United States, £2,411; United Kingdom, £311; Canada, £98. Imports in 1935 were valued at £5,452, and in 1934 at £3,909.

*(c) Meats, Fresh.*—Total, 4,096 cwt. (£16,353): United States, 1,816 cwt. (£9,300); Canada, 1,622 cwt. (£6,086); Argentina, 658 cwt. (£967). Imports in 1936 were about one-third larger than those of 1935 and almost double those of 1934.

*(d) Hams and Bacon.*—Total, 2,055 cwt. (£10,548): United States, 1,114 cwt. (£6,352); Canada, 631 cwt. (£3,243); Argentina, 221 cwt. (£592). There was a substantial increase in 1936 as compared with 1935 and 1934.

Besides the imports above listed, hams and bacon in packages of less than 5 pounds were purchased to the total value of £531 in 1936, the United States having the bulk of this small specialty trade.

*(e) Poultry and Game, Dressed.*—Total, 1,100 cwt. (£6,850): United States, 698 cwt. (£5,096); Argentina, 237 cwt. (£738); Canada, 165 cwt. (£1,016). Purchases of these foodstuffs in 1936 were more than 50 per cent greater than in 1935 and about three times as great as those of 1934.

*Milk, Sweetened.*—Total, £8,033: Canada, £4,920; Holland, £1,760; United Kingdom, £1,013; small remainder from Ireland, Denmark, and the United States. Imports in 1935 totalled £6,727, and in 1934 £5,462.

*Milk, Unsweetened.*—Total, £8,989: Canada, £4,491; United States, £3,575; Holland, £792; small remainder from the United Kingdom, Ireland, and Switzerland. Imports in 1935 were £7,080, and in 1934 £4,922.

The sweetened milk was, of course, condensed; and the unsweetened, evaporated.

*Provisions.*—Total, £19,819 in 1936 as compared with £15,690 in 1935 and £13,246 in 1934. Of the 1936 imports the United States is credited with £14,268, Canada £1,637, the United Kingdom £1,365, and several other countries the remainder. These goods consisted of food-stuffs otherwise unclassified.

*Sugar, White.*—Total, 26,184 cwt. valued at £11,777, a considerable increase over that of 1935, which, however, represented about as great a decline below the 1934 figures. Of the 1936 imports, Cuba supplied 11,990 cwt. (£4,775), the United States 7,265 cwt. (£3,395), and the United Kingdom 6,929 cwt. (£3,607). Canada had no share of this trade.

*Leaf Tobacco.*—Total, 637 cwt. (£1,538), supplied almost entirely by the United States.

*Vegetables, Beans and Peas.*—Total, 2,947 bushels (£2,440): United States, 2,553 bushels (£2,248); small remainder from Madagascar, Holland, Haiti, and the United Kingdom. These imports were about three times as large as those of 1935.

*Vegetables, Canned.*—Total, £2,053: United States, £1,402; Canada, £519; small remainder from Belgium, France, and the United Kingdom.

*Onions.*—Total, 1,559 barrels (£1,314): United States, 658 barrels (£655); Canada, 409 barrels (£258); Cyprus, 280 barrels (£221); Egypt, 189 barrels (£164).

*Potatoes, Irish.*—Total, 5,490 barrels (£3,841): Canada, 4,821 barrels (£3,230); United States, 572 barrels (£557).

#### (b) RAW MATERIALS AND ARTICLES MAINLY UNMANUFACTURED

*Lumber.*—Total, 4,216,000 feet (£27,255): United States, 3,566,000 feet (£23,289); Canada practically all the remainder. The 1936 imports were about 50 per cent above those of 1935, and in the former year 3,169,023 feet of yellow pine were cut in the colony's forests by an American concessionaire. The local timber industry has been in existence for a fairly long time. In 1936 it exported 1,992,000 feet, almost entirely to Jamaica.

*Shingles.*—Total, 20,382,000 lineal inches (£5,935): United States, 15,612,000 inches (£4,535) and Canada 4,770,000 inches (£1,400). The 1936 imports were about twice as large as those of 1935 and 1934, due to the building boom, which has greatly increased the demand for practically all kinds of structural material.

#### (c) MANUFACTURED GOODS

*Apparel.*—Total, £39,587, which was more than double the 1935 figure. Of the former, the United Kingdom is credited with £22,062, the United States with £11,615, Japan with £2,953, and Canada with £2,577. The small remainder came from Hongkong and Poland.

*Boots and Shoes of Rubber, and Rubber-soled Canvas Boots and Shoes.*—Total, 3,702 dozen pairs (£3,006): Hongkong, 2,147 dozen pairs (£1,295); Canada, 1,064 dozen (£1,229); United Kingdom, 489 dozen (£476).

*Boots and Shoes, Other.*—Total, 4,890 dozen pairs (£12,147): United States, 4,378 dozen (£10,831); United Kingdom, 359 dozen (£1,102); and small remainder from Japan and Hongkong. These imports consisted chiefly of leather boots and shoes.

*Cement.*—Total, 28,025 barrels (£11,539), or about twice the quantity and value of the 1935 imports. Of the former, the United Kingdom supplied 17,085 barrels (£6,972), Canada 8,893 barrels (£3,502), and the United States 2,227 barrels (£1,065).

*Electrical Apparatus.*—Total, £19,159, of which the United States is credited with £17,595, the United Kingdom with £949, and Canada with £615.

*Enamelware.*—Total, £1,148: United States, £502; United Kingdom, £271; remainder from Czechoslovakia, Germany, Japan, and Sweden.

*Fertilizers.*—Total, 754 tons, principally from the United States (£5,489).

*Furniture.*—Total, £33,072: United States, £26,799; United Kingdom, £4,042; Canada, £1,821; remainder from Cuba and Hongkong. Total imports of furniture were £17,047 in 1935 and £10,633 in 1934.

*Glass and Glassware.*—Total, £3,548: United States, £2,155; Belgium, £539; United Kingdom, £537.

*Haberdashery and Millinery.*—Total, £6,222: United Kingdom, £3,052; United States, £2,253; France, £256; Japan, £253; small remainder from Canada, Czechoslovakia, Germany, Italy, and Switzerland. Total imports in 1935 were £4,136.

*Hardware.*—Total, £28,683 as compared with £15,307 in 1935 and £14,904 in 1934. Of the 1936 imports the United States supplied £22,109, the United Kingdom £4,711, and Canada £622.

*Hats and Caps.*—Total, £3,515, of which the United Kingdom supplied £1,477, the United States £1,347, Canada £483, and Italy and Japan the small remainder.



*Medicines and Drugs.*—Total, £11,800: United States, £8,829; United Kingdom, 2,563; and Canada, £336.

*Machinery.*—Total, £3,986: United States £3,637 and the United Kingdom and Sweden the remainder.

*Nails, Iron.*—Total, 1,874 cwts. (£2,356): Canada, 1,627 cwts. (£1,994); United States, 148 cwts. (£224); remainder from the United Kingdom and Germany. These imports were about 50 per cent greater than those of 1935.

*Wire Fencing, Iron.*—Total, £1,580: United Kingdom, £848; United States, £573; Germany, £146.

*Iron and Steel Manufactures, Unspecified.*—Total, £5,895: United States, £2,792; United Kingdom, £2,181; Canada, £893.

*Motor Cars and Trucks.*—Total, 177 in number (£16,162): United States, 94 (£5,610); Canada, 80 (£10,282); and the United Kingdom, 3 (£270). Imports in 1935 totalled 124 units valued at £9,540.

*Motor Car Tires.*—Total, 869 in number (£1,667): Canada, 516 (£981); United States, 184 (£312); United Kingdom, 169 (£374).

*Oilcloth and Linoleum.*—Total, £801: United States, £652; United Kingdom, £81; Canada, £68.

*Paints.*—Total, £11,438 as compared with £9,375 in 1935 and £7,591 in 1934. Of the 1936 imports, the United States was credited with £6,810, the United Kingdom with £3,928, and Canada with £700.

*Paper.*—Total, £6,307: United States, £5,373; Canada, £267; United Kingdom, £241; Holland, £214. Total imports were £4,809 in 1935.

*Stationery.*—Total, £5,035: United States, £2,269; United Kingdom, £1,991; Canada, £697.

*Textiles: (a) Cotton Hosiery.*—Total, 1,292 dozen pairs (£280): Hongkong supplied 883 dozen (£144); the United Kingdom, 320 dozen (£107).

*(b) Silk Hosiery.*—Total, 421 dozen pairs (£452): Canada, 379 dozen (£416); remainder from United Kingdom and United States.

*(c) Artificial Silk Hosiery.*—Total, 4,493 dozen pairs (£1,749): the United Kingdom, 3,172 dozen (£1,239); Canada, 1,139 dozen (£464); and Hongkong, Japan, and the United States the small remainder.

*(d) Woollen Hosiery.*—Total, 580 dozen pairs (£602), entirely from the United Kingdom.

*Cordage and Twine.*—Total, 598 cwts. (£1,486): United Kingdom, 466 cwts. (£1,190), and Canada, the United States, and the Philippines the remainder. The imports of twine totalled 80 cwts. (£602), and originated in the United Kingdom and the United States.

*Toilet Preparations.*—Total, £6,105: United Kingdom, £3,033; United States, £2,162; Canada, £759. These imports include toilet soaps.

*Toys and Games.*—Total, £1,842: United States, £1,310; remainder from United Kingdom, Germany, and Japan.

## EXPORTS

*Fish, Fresh.*—Exports totalled £3,074 and went entirely to the United States.

*Tomatoes, Raw.*—Total, 106,000 bushels valued at £27,610, of which 105,000 (£27,350) went to Canada and the remainder to the United States and the United Kingdom. The same total quantity was shipped in 1935, but the 1934 total was 112,000 bushels.

*Bahamas Hemp.*—Total, 1,487 tons (£15,007); entirely to the United States. In addition, 71 tons of hemp waste (£344) were exported to that country.

*Hides and Skins.*—Total, 18,424 in number (£1,154); entirely to the United States.

*Lumber.*—Total, 1,992,000 feet (£11,455): Jamaica, 1,901,000 feet (£10,653); Bermuda the remainder.

*Sponge.*—The total value of the many varieties of sponge shipped from the Bahamas in 1936 was £54,912 as compared with £52,292 in 1935, £55,250 in 1934, and £84,852 in 1933. The United Kingdom, the United States, France, Holland, and Canada were the largest buyers.

## TOURIST TRADE

The season ending March, 1937, was a very good one. There has been a notable increase in the number of winter homes built in New Providence and nearby islands of the Bahamas group. Though the number of excursion steamers calling at Nassau in 1936 was forty, as against sixty in 1935, the respective numbers of excursionists were 37,152 and 21,342. The former figure includes, however, intransit passengers, of whom no record was previously kept. Calls at Nassau by private yachts numbered 83 in 1936 and 63 in 1935; and by aeroplanes 255 and 212 respectively. In 1936, 259 aeroplanes cleared from Nassau for foreign ports.

## FRENCH LUMBER SPECIFICATIONS

Mr. Hercule Barré, Commercial Attaché in Paris, has forwarded, under date October 26, translations of the French specifications for silver spruce for aviation purposes and maple for pile-drivers.

Copies of these specifications may be obtained by interested Canadian firms upon application to the Department of Trade and Commerce, Ottawa (quoting file No. 15540).

A report on the lumber market in France was published in last week's issue of the *Commercial Intelligence Journal*.

## ECONOMIC SITUATION IN LITHUANIA

J. C. MACGILLIVRAY, CANADIAN TRADE COMMISSIONER

(One hectare equals 2.47 acres; one ton equals 2,204.6 pounds)

Hamburg, October 25, 1937.—While the general economic situation in Lithuania shows an improvement as 1937 draws to a close, the agricultural position is not so satisfactory as far as volume of output is concerned. This has been reflected in a scarcity of feeding stuffs which in that predominantly agricultural country is retarding the continued progress of rehabilitation.

### FEEDSTUFFS SHORTAGE

In contrast to the surplus production of 1934 and 1935, the Lithuanian cereal crop of 1936 was just sufficient to cover the increasing domestic requirements. The new grain harvest has not turned out to be much better, and in addition this year's yield of green feed has been much lower than normal so that more grain than usual will have to be employed for feeding purposes. Since the beginning of the year this feedstuffs shortage has had its reaction on the cattle and poultry industry, particularly among the smaller farmers, and it has also affected the export of meat and dairy products which are among the leading products in Lithuania's export trade.

For instance, on account of insufficient offers of bacon hogs, the British bacon quota could only be partly used up. This handicap will, in all probability, be more noticeable during the coming winter and spring. Despite this outlook for the feed situation and for export during the fall and winter of 1937-38, the plans of the Lithuanian Government as well as of private enterprises for the new economic year signify great confidence in a continuation of the generally favourable situation. This confidence is not without reason. Lithuania is manifestly adapted to farming with more than four-fifths of the population making their living from agriculture or the export of agricultural products.

### IMPROVEMENT IN METHODS OF PRODUCTION

From this it can be seen that the country's domestic affairs are largely dependent upon the crop conditions although this dependency is not so great as formerly. The improved situation has, since last year, made normal grain prices again possible, and the purchasing power of the population has already considerably increased. The results are also now appearing of a decade of systematic improvement of land, methods of production, transportation, and selling. Under the present circumstances the progress made in production is of more importance than the falling off in feed supplies against which there have been good flax and potato crops and certain other compensating factors.

The subjoined table shows the average prices for agricultural products in July, 1935, 1936 and 1937 and illustrates the present higher level. One lit equals approximately \$0.17.



*Average Prices for Agricultural Products*

	July, 1937	July, 1936	July, 1935
	Figures in Lits		
Rye... ..	110 lbs.	10.10	6.80
Wheat... ..	110 lbs.	14.60	8.80
Barley... ..	110 lbs.	11.50	7.00
Oats... ..	110 lbs.	11.20	7.10
Potatoes... ..	110 lbs.	3.90	2.70
Linseed... ..	110 lbs.	14.90	11.70
Clover seed (red)... ..	110 lbs.	54.00	77.00
Clover seed (white)... ..	110 lbs.	54.00	52.00
Flax... ..	2.2 lbs.	1.35	1.05
Cart horses... ..	per animal	295.00	265.00
Fattened bull... ..	110 lbs. live weight	22.40	15.80
Fattened hog... ..	110 lbs. live weight	48.00	32.00
Hens... ..	each	2.40	2.05
Milk... ..	1 litre	0.15	0.14
Eggs, best... ..	for 10	0.70	0.60

The Lithuanian agriculturists, operating medium-sized farms, who produce more grain and feed than they themselves require, are not so affected by the feed shortage—in fact they are, as the compilation below indicates, in a very favourable position with present prices for the most important agricultural products.

**INCREASED GRAIN AND FEED PRICES**

The increased grain and feed prices are a burden on the small owners, who are in the majority in Lithuania, and who have to buy feed for their cattle and poultry which decreases the profits obtained through better prices for their own products, although their requirements are smaller than those of the medium-sized landowners. These differences must be taken into account when estimating the crop results.

**PRICE INDEX**

According to official index calculations (on the basis of 1913=100), prices for agricultural products at the middle of July, 1937, were 12.6 per cent higher than for the same period of 1936. Industrial products have also increased in price, and although at times they have crossed the index curve they now have a lead of 2.5 points. The general merchandise index stands at present at 64.9 per cent and the average cost of living index per capita is given as 71.5 per cent as compared with 63.9 per cent in the middle of 1936.

**HARVESTING CONDITIONS**

Definite figures regarding the harvest yield are not yet available. The cultivated areas are, in nearly all cases, somewhat larger than in the previous year and amount altogether to 1,626 million hectares (against 1,599 million hectares in 1936). The cold and dry winter, according to a recent report of the Bank of Lithuania, seriously affected winter grain and the two-year clover. Further damage was caused by the spring drought and resulted in from 30-50 per cent less feed being cut than in the previous year.

Local correspondents report unanimously that the only choice remaining is to either reduce the number of animals kept or to use more grain as feed. The dry weather in the spring did less damage to grain than the frequent warm showers during harvesting, as a result of which, in the northern areas and Memel Territory, up to 50 per cent of rye and 15-20 per cent of the wheat crop was lost. In the Memel Territory 21.2 centners (41.7 bushels) of rye and 12.8 centners (23.6 bushels) of wheat is estimated as an average yield per hectare whereas each yielded 32.4 centners (rye 63.8 bushels, wheat 59.6 bushels) last year. It was only in southern Lithuania that rye was harvested under perfect conditions. In general, however, the crops obtained were somewhat larger than in the previous year, in spite of early losses from winter killing.

## CROP RETURNS

The Central Statistical Bureau estimates the rye crop at 629,530 tons, and the wheat crop at 174,730 tons. These figures are 100,000 tons of rye and 10,000 tons of wheat more than anticipated in 1936. Against this the Bank of Lithuania gives the following probable correct estimates for the various kinds of grain:—

Crop Year	1937 Figures in Metric Tons	1936 Figures in Metric Tons	1935 Figures in Metric Tons
Rye . . . . .	535,930	510,630	636,000
Wheat . . . . .	172,120	175,350	225,100
Barley . . . . .	230,620	199,970	226,200
Oats . . . . .	359,580	271,410	386,500

The large deficit of clover and hay this year is shown in the following table issued by the Central Statistical Bureau:—

Crop Year	1937 Figures in Metric Tons	1936 Figures in Metric Tons	1935 Figures in Metric Tons
Clover . . . . .	550,000	1,287,000	1,163,000
Hay . . . . .	850,000	1,127,000	1,071,000

According to the Bank's report considerably better yields were obtained for flax, linseed, and potatoes:—

Crop Year	1937 Figures in Metric Tons	1936 Figures in Metric Tons	1935 Figures in Metric Tons
Flax . . . . .	40,960	34,620	32,800
Linseed . . . . .	37,880	32,660	31,200
Potatoes . . . . .	2,102,190	1,828,630	1,538,500

## LIVE STOCK

That the high cost of feeds had a hampering effect on animal and poultry keepers is shown by the census taken on June 30, 1937. The increased number of animals corresponds to neither the improved position of the Lithuanian peasants nor to the growing domestic consumption. There was, for instance, an increase of only 550 calves, 5,740 lambs, and a decrease of 34,900 young pigs in comparison with the last census.

As a contrast to these figures, there was an increase from the middle of 1935 to the middle of 1936 of 9,530 calves and 34,480 lambs at the same time.

There was also a decline in the number of young pigs, but for better reasons, because up to the middle of 1936 Germany took no hogs and the United Kingdom had limited the bacon quota. At that time the decline was 12,690 animals or not much less than one-third of the present decrease. The same thing happened with poultry, and although during the current year, because of the enlarged export plans, a general effort was made to encourage the keeping of hens, the increase was only 2·4 per cent as against 5 per cent in the year previous.

It is anticipated that a second year of feed shortage will cause further retrenchments among the smaller farmers engaged in animal husbandry as a result of which it is possible that prices on the animal and poultry markets will be affected.

## SILK HOSIERY TRADE IN SYRIA AND THE LEBANON

HENRI TURCOT, CANADIAN TRADE COMMISSIONER

Cairo, October 7, 1937.—The demand for ladies' pure silk stockings in Syria and the Lebanon is satisfied by domestic production and imports, in an estimated proportion of 30 per cent for the former and 70 per cent for the latter, the value of annual imports being placed at about \$100,000. Locally-made stockings are of a rather inferior grade and sell at low prices; imports represent mostly quality articles and fetch appreciably higher prices. Imports originate chiefly in the United States, France, Germany, and Canada; the first-named country enjoys the largest share of the trade. All the leading United States



brands are on the market, with the "Kayser" and "Holeproof" (part from Canada) being the best sellers. Various Canadian brands are sold in Syria and the Lebanon, some of them with a certain degree of success. All imported brands seem to be extensively advertised in cinemas, by posters, etc.

Colours and styles current in the United States and Canada are, broadly speaking, suitable for the Syrian and Lebanese markets. The three-thread chiffon lines are preferred. Crepe and heavy stockings do not appear to be in favour. The sizes more generally requested are  $8\frac{1}{2}$  and 9; sizes  $9\frac{1}{2}$  and 10 find only a limited outlet. The more popular lines are those quoted at from \$6 to \$13 per dozen pairs c.i.f. Beirut. Attractive packing is advisable.

Offers for Syria and the Lebanon should be accompanied by a full range of samples, together with colour cards, samples of advertising matter, etc., and, as representative, an agent or importer located in Beirut, with a proper sales organization throughout the Syrian and Lebanese territories, should in preference be chosen. The office of the Canadian Trade Commissioner in Cairo is in touch with suitable concerns in Beirut, and communications from interested manufacturers of pure silk stockings are invited.

The duty imposed on pure silk stockings imported into Syria and the Lebanon is 345 Syrian piastres per dozen pairs (about 69 French francs), which rate applies to all importing countries, including Canada.

## SHOE LEATHER TRADE IN SYRIA AND THE LEBANON

HENRI TURCOT, CANADIAN TRADE COMMISSIONER

Cairo, October 5, 1937.—The shoe industry of Syria and the Lebanon is relatively important; it comprises numerous small establishments in the larger cities and smaller towns and villages; work is generally done by hand, and medium- and low-priced shoes are produced; not only are the domestic needs satisfied by the local industry, but exports to neighbouring countries, particularly Palestine, are fairly considerable; and of the varieties of leather used for shoemaking, patent leather, box calf, and white buck are of interest to Canada.

### PATENT LEATHER

Some few years ago there was an attempt at producing patent leather in Syria, but the venture was unsuccessful. The only two sources of supply are the United States and Canada, the former having the larger share of the trade. Annual imports are placed at approximately 1,500 dozen hides, 85 per cent of which are of the D and DD grades and 15 per cent of the C grade. The weights wanted are light-medium, medium, and heavy. The demand is almost solely for black leather. Patent leather to be sold in Syria and the Lebanon must be soft, mellow, and strong.

Two well-known Canadian brands, the quality and finish of which are appreciated, command good sales in Syria and the Lebanon, although of a slightly higher price than patent leather from the United States. Any other brand from the Dominion may be sold in these markets provided quality and prices are more or less in line with those of the competition (United States), and it is believed that the time is opportune for Canadian manufacturers to make an effort to obtain a larger portion of the trade in Syria and Lebanon. Interested manufacturers are invited to communicate with the Canadian Trade Commissioner in Cairo, who will put them in touch with reliable firms in Beirut, which is the leather import trade centre for both Syria and the Lebanon.

The minimum tariff treatment is extended to Canada as well as to the United States, and the duty applicable to patent leather from these two countries upon its entry into the Lebanon and Syria is 25 per cent ad valorem.

### BOX CALF

According to various sources in the trade, the domestic production takes care of approximately 75 per cent of the requirements of Syria and the Lebanon. Imports of box calf, amounting to about 350 dozen hides per year, come principally from Hungary. The other suppliers, in order of importance, are Czechoslovakia, Germany, Austria, the United States, and Canada, the quantities originating in the latter two countries being negligible. What is more particularly in demand is the heavy article, in grades CC and D; for women's shoes, kid is preferred. Colours are in favour; however, sales of black box calf are fairly important.

Owing to Canadian prices being somewhat higher than those quoted by Hungary, it is improbable that the Dominion could compete successfully in sales of box calf to Syria and the Lebanon.

All importing countries are entitled to the minimum rate of duty, which stands at 25 per cent ad valorem.

### WHITE BUCK

The annual consumption of white buck in Syria and the Lebanon is reported to amount to about 400 dozen hides, half of which are furnished by the domestic industry, and the other half by imports. The local article is of an inferior quality (grade 4), while that from abroad varies according to origin. Imports, in order of importance, are from Egypt (grade 4), Hungary (grades 2 and 3), the United States (grades 3 and 4), and Canada (grade 2). The sale of Canadian white buck in Syria and the Lebanon is a recent development.

All the above-mentioned countries, including Canada, enjoy the minimum tariff treatment with respect to white buck shipped to Syria and the Lebanon. Minimum duty, 25 per cent ad valorem.

## TRADE OF NICARAGUA IN 1936

W. J. RIDDIFORD, CANADIAN TRADE COMMISSIONER

(One cordoba equals U.S.\$1.10)

Panama City, October 20, 1937.—The report of the Receiver-General of Customs for the calendar year 1936 reveals that Nicaragua continued to suffer from an unsatisfactory export trade and foreign exchange difficulties although there was a slight increase in the volume and value of imports. Although the year closed unsatisfactorily, there seems to have been a slight general improvement during recent months.

### FOREIGN TRADE

The total value of the foreign trade of Nicaragua during 1936 amounted to cordobas 10,227,806 as compared with cordobas 10,731,039 for 1935, a decrease of cordobas 503,233. The total foreign trade of Nicaragua during the calendar year 1928 amounted to cordobas 25,043,663, which seems to indicate that Nicaragua has made little progress in the matter of economic recovery. Total exports during 1936 were valued at cordobas 4,648,186 as compared with cordobas 5,658,163 in 1935, a decrease of cordobas 1,009,977. This decrease was due entirely to the fact that exports of coffee during 1936 were valued at cordobas 1,000,000 less than during the previous year, a result of both a smaller crop and lower prices. Total imports into Nicaragua during 1936 were valued at cordobas 5,579,620 as compared with cordobas 5,072,876 for 1935, an increase of cordobas 506,744.



## BALANCE OF TRADE

During the calendar years 1930 to 1935 inclusive Nicaragua enjoyed a visible favourable balance of trade, which for the calendar year 1936 has reverted to an unfavourable balance of cordobas 931,434. Although this unfavourable balance of trade may account in part for the difficult foreign exchange situation in Nicaragua, it is noteworthy that the calendar year 1928, which recorded the greatest value on record for Nicaraguan foreign trade and which was generally regarded as a prosperous commercial year, ended with an unfavourable balance of cordobas 1,657,239. It is possible therefore that the unfavourable balance recorded for the calendar year 1936 may be an indication of returning prosperity.

## EXPORT TRADE

Coffee, bananas, gold, and cotton accounted for approximately 82 per cent of the total value of Nicaraguan export trade during 1936. It is noteworthy that during the calendar year 1935 coffee accounted for 55 per cent of the total value of Nicaraguan exports as compared with 45 per cent during 1936. The exportation of bananas also showed a decrease during 1936, accounting for only 17 per cent of the total value of exports as compared with 21 per cent during 1935. Details of Nicaraguan export trade during 1936 and 1935 are shown in the following tables:—

*Leading Exports of Nicaraguan Products*

	1935	1936		1935	1936
	Cordobas	Cordobas		Cordobas	Cordobas
Coffee . . . . .	3,118,459	2,114,751	Lard . . . . .	21,984	89,057
Bananas . . . . .	1,200,875	770,112	Silver . . . . .	39,088	42,067
Gold . . . . .	566,771	807,704	Live turtles . . . . .	17,423	40,710
Cotton . . . . .	54,556	133,887	Ipecac . . . . .	42,811	78,934
Sugar . . . . .	88,402	83,656	Dyes and dye woods . .	27,824	20,551
Hides and skins . . .	68,906	101,674	Balsam . . . . .	20,188	25,244
Cacao . . . . .	17,652	20,656	Rice . . . . .	23,710	13,221
Timber . . . . .	140,297	97,588	Rubber . . . . .	159	13,781

*Exports by Principal Countries of Destination*

	1935	1936		1935	1936
	Cordobas	Cordobas		Cordobas	Cordobas
United States . . . . .	3,151,256	2,504,601	Netherlands . . . . .	106,328	71,276
Germany . . . . .	699,799	743,303	Guatemala . . . . .	53,963	55,946
France . . . . .	985,698	605,748	Finland . . . . .	62,721	47,963
Honduras . . . . .	205,627	139,347	Cuba . . . . .	10,681	39,199
United Kingdom . . .	118,950	83,743	Italy . . . . .	75,790	31,110
Costa Rica . . . . .	14,806	79,046	Sweden . . . . .	13,596	27,158

## IMPORTS

In spite of decreased returns from exports and exchange control difficulties, the total value of imports into Nicaragua during the calendar year 1936 increased as compared with 1935. Details of Nicaraguan import trade during 1936 and 1935 are shown in the following tables:—

*Leading Imports into Nicaragua by Commodities*

	1935	1936
	Cordobas	Cordobas
Cotton and manufactures of . . . . .	1,369,483	1,374,996
Petroleum products and other oils . . . . .	486,681	439,583
Iron and steel and manufactures of . . . . .	422,702	573,494
Chemicals and pharmaceutical products . . . . .	341,342	403,444
Machinery, n.o.p. . . . .	310,231	414,754
Machinery, agricultural . . . . .	93,457	123,820
Wheat flour . . . . .	244,974	224,768
Other cereals and flours . . . . .	40,573	61,965
Milk (including preserved) . . . . .	20,773	16,993

*Leading Imports into Nicaragua by Commodities—Concluded*

	1935 Cordobas	1936 Cordobas
Lard . . . . .	39,869	13,109
Vegetables . . . . .	37,306	34,533
Tobacco and manufactures of . . . . .	53,684	52,382
Cement . . . . .	37,355	59,727
Paints, pigments, colours and varnishes . . . . .	43,121	56,038
Wood and manufactures of . . . . .	14,292	14,603
Copper and alloys and manufactures of . . . . .	42,932	47,878
Paper and manufactures of . . . . .	159,251	159,906
Jute sacks . . . . .	94,182	108,169
Leather and hides and manufactures of . . . . .	107,358	121,295
Rubber, gutta percha and manufactures of . . . . .	53,671	54,824
Perfumes and cosmetics . . . . .	64,776	79,199
Moving picture films . . . . .	37,732	41,923
Soap . . . . .	30,743	27,758
Toys . . . . .	24,793	16,303
Glass and glassware . . . . .	55,336	66,598
China ware and porcelain . . . . .	31,592	21,121
Explosives . . . . .	30,088	145,857
Automobiles and parts . . . . .	37,267	36,425
Vehicles—all other . . . . .	39,603	23,391
Silk and manufactures of . . . . .	137,617	94,879
Fibres, vegetable and manufactures of . . . . .	70,392	68,769

*Imports into Nicaragua by Countries of Origin*

	1935 Cordobas	1936 Cordobas
Total . . . . .	5,072,876	5,579,620
United States . . . . .	2,537,630	2,579,813
Germany . . . . .	855,164	1,336,568
United Kingdom . . . . .	593,166	696,805
Japan . . . . .	324,182	143,325
Peru . . . . .	152,450	163,233
France . . . . .	126,990	185,996
Honduras . . . . .	44,066	26,168
Italy . . . . .	34,888	41,933
Spain . . . . .	26,001	26,430
Belgium . . . . .	23,806	60,122
Other European countries . . . . .	88,278	103,182
All other countries . . . . .	266,255	216,045

Canadian trade with Nicaragua continues to be practically nil due to the fact that Canada imports nothing from Nicaragua and Canadian exporters are reluctant to ship to that country except on a basis of cash with order. Until conditions improve materially, probably no concerted effort should be made to develop this trade although it may be advisable for Canadian exporters to establish connections in this market and keep in touch with them in anticipation of the time when business may be possible.

**JAPANESE CORPORATION PROFITS, JANUARY TO JUNE**

A. K. DOULL, ASSISTANT TRADE COMMISSIONER

(One yen at the present rate of exchange equals approximately 29 cents Canadian funds)

Tokyo, October 21, 1937.—According to a survey just completed by Mitsui Gomei Kaisha into the condition of 1,250 companies and banks in Japan for the first six months of this year, it is shown that 1,204 companies had net profits amounting to 593,800,000 yen, while 46 companies showed losses totalling 1,800,000 yen.

**STATISTICAL POSITION**

The total net profit was therefore 592,000,000 yen, which was 12·5 per cent on the total paid-up capitalization of 9,464,000,000 yen. The rate of profit to the total authorized capitalization of 12,651,000,000 yen was 9·3 per cent.

Undivided profits for the period amounted to 169,114,000 yen, the rate of undivided profits on the total paid-up capitalization being 3·5 per cent.



Mitsui's report further mentions the fact that the spinning industry showed large profits, and that the foodstuffs companies also did very well. Chemical companies showed satisfactory results, as also did the paper manufacturing and leather concerns. Owing to high prices the iron manufacturing and copper industries flourished.

Because of high prices, on the other hand, the shipbuilding industry failed to realize satisfactory returns. The machine-tool and mining industries showed satisfactory profits. Commerce was fairly active, and many large trading companies experienced satisfactory business conditions during the period.

In the field of public utilities the electric light and power business was generally good, but some of the larger companies showed reduced profits.

#### COMPANIES MAKING ANNUAL RETURNS

In addition, there were eighty companies which settle their accounts once a year. These eighty companies, which have together a capitalization of 255,000,000 yen, realized profits aggregating 40,900,000 yen or 16 per cent. Their profits increased by 4,800,000 yen or 13.2 per cent over the previous year. These companies operate in insurance, mining, and silk reeling.

#### COMPANIES EXTERNAL TO JAPAN

The report also mentions sixty companies and banks in Korea, Formosa, Karafuto, and the Kwantung Leased Territory. Their total paid-up capitalization for the half-year was 540,700,000 yen, and their total profit amounted to 39,000,000 yen. Their profit rate was 14.4 per cent, gaining 2,600,000 yen or 7.3 per cent over the previous six months.

#### PROFITS REALIZED AND PROFIT RATES

Profits realized by various lines of business and profit rates for the first half of 1937, compared with the second half of 1936, were as follows:—

	2nd Half, 1936		1st Half, 1937	
	Profits 1,000 Yen	Profit Rate Per Cent	Profits 1,000 Yen	Profit Rate Per Cent
Total .. . . .	535.893	11.8	592.023	12.5
Banking .. . . .	79,149	12.4	78,176	12.4
Trust .. . . .	5,150	13.6	5,074	13.4
Spinning, weaving .. . . .	35,062	15.7	46,081	18.9
Woollen textiles .. . . .	7,829	14.7	8,897	14.5
Hemp manufacturing .. . . .	948	11.0	1,097	12.4
Rayon yarn .. . . .	10,333	14.4	11,103	15.2
Beer brewery .. . . .	6,496	18.3	7,259	20.5
Sugar milling .. . . .	5,590	18.6	5,685	18.9
Wheat flour .. . . .	1,689	14.8	1,785	12.9
Leather .. . . .	694	18.4	812	20.2
Paper milling .. . . .	17,016	15.1	18,923	16.6
Cement .. . . .	7,184	8.5	6,888	8.2
Ceramics .. . . .	4,485	19.0	5,247	18.1
Chemical .. . . .	25,189	14.3	28,658	13.6
Iron, steel .. . . .	40,847	15.9	52,765	19.9
Copper .. . . .	6,770	29.2	7,731	24.4
Car and ship building .. . . .	12,950	12.2	13,579	11.7
Machinery .. . . .	27,811	19.7	32,521	19.5
Mining .. . . .	37,893	16.5	41,712	15.5
Commerce .. . . .	22,376	15.5	34,116	21.0
Department stores .. . . .	3,142	15.1	3,105	14.1
Bourse .. . . .	4,558	8.4	7,197	13.3
Real estate .. . . .	3,462	4.3	3,424	4.7
Electricity .. . . .	93,442	8.7	93,292	8.6
Gas .. . . .	11,975	10.1	11,976	10.0
Railway, tramway .. . . .	22,609	5.8	22,124	5.4
Shipping .. . . .	7,966	8.0	9,139	9.0
Warehousing .. . . .	1,241	3.6	769	2.2
Rubber plantation .. . . .	1,437	11.3	2,389	17.1
Miscellaneous .. . . .	30,582	12.5	30,182	12.5

(NOTE.—Fractions below 1,000 yen are omitted. Slight differences in the figures in this report and those given in previous reports on the same subject are due to corrections after reinvestigation)

## DIVIDED AND UNDIVIDED PROFITS

The following table gives in percentages the average rates of divided and undivided profits for the first half of 1937 compared with the second half of 1936:—

	2nd Half, 1936		1st Half, 1937	
	Divided Profit Per Cent	Undivided Profit Per Cent	Divided Profit Per Cent	Undivided Profit Per Cent
Total.. . . . .	8.4	3.3	8.9	3.5
Banking .. . . . .	7.6	4.7	8.6	3.7
Trust .. . . . .	5.3	8.2	6.8	6.6
Spinning, weaving.. . . . .	11.7	3.9	13.0	5.9
Woollen textiles .. . . . .	9.9	4.7	10.4	4.0
Hemp manufacturing.. . . . .	8.0	3.0	10.1	2.3
Rayon yarn .. . . . .	11.4	3.0	11.6	3.6
Beer brewery .. . . . .	12.5	5.8	12.6	7.9
Sugar milling .. . . . .	12.3	6.3	12.3	6.6
Wheat flour .. . . . .	13.6	1.2	10.5	2.4
Leather .. . . . .	9.9	8.5	10.8	9.3
Paper-milling .. . . . .	10.6	4.5	10.5	6.0
Cement .. . . . .	7.0	1.5	7.4	0.8
Ceramics .. . . . .	15.5	3.5	14.3	3.8
Chemical .. . . . .	9.9	4.4	9.9	3.7
Iron, steel .. . . . .	8.0	7.9	8.4	11.5
Copper .. . . . .	11.8	17.4	11.0	13.4
Car and shipbuilding.. . . . .	7.1	5.0	7.2	4.4
Machinery .. . . . .	13.1	6.6	12.5	7.0
Mining .. . . . .	11.2	5.3	10.8	4.7
Commerce .. . . . .	13.9	1.5	14.6	6.4
Department stores .. . . . .	10.8	4.3	10.7	3.4
Bourse .. . . . .	8.1	0.3	11.0	2.3
Real estate .. . . . .	3.2	1.2	3.4	1.2
Electricity .. . . . .	7.7	1.0	7.9	0.7
Gas.. . . . .	8.8	1.2	8.8	1.1
Railway, tramway .. . . . .	5.1	0.9	5.3	0.3
Shipping .. . . . .	4.7	3.3	5.5	3.5
Warehousing .. . . . .	2.3	1.3	2.4	....
Rubber plantation .. . . . .	9.6	1.7	13.7	3.4
Miscellaneous .. . . . .	8.1	4.4	8.7	3.8

## JAPANESE SUMMER AND AUTUMN COCOON CROP

A. K. DOULL, ASSISTANT TRADE COMMISSIONER

Tokyo, October 21, 1937.—According to a report issued by the Ministry of Agriculture and Forestry, the summer and autumn cocoon crop this year as at September 25 is estimated at 307,815,964 pounds, of which 307,575,140 pounds are white cocoons and 240,824 pounds are yellow. This total estimate, when compared with the actual yield for the similar period of 1936, shows a decrease of 10.3 per cent. This decrease is reported to be due to a reduction in the number of mulberry trees under cultivation and also to drought and generally unfavourable weather conditions. The quantities of summer and autumn cocoons produced during the years 1932 to 1936 were as follows: 1932, 356,802,919 pounds; 1933, 422,822,133; 1934, 320,348,469; 1935, 313,248,565; 1936, 343,086,477; 1937 (estimate), 307,815,964 pounds.

As the recent market price for cocoons was approximately 4.20 yen per kwan (8.2672 pounds), the production value of summer and autumn cocoons, on this basis, is estimated at 156,000,000 yen as against 186,000,000 yen for the similar period of last year, a decrease of 30,000,000 yen.



## EXCHANGE CONTROL IN MANCHUKUO

T. J. MONTY, ASSISTANT TRADE COMMISSIONER

Tokyo, October 12, 1937.—Revisions of the Exchange Control Law consolidating exchange control in Manchukuo along lines similar to those adopted in Japan (see *Commercial Intelligence Journal* No. 1733, April 17, 1937, page 625; and No. 1753, September 4, 1937, page 445) have become effective as from October 8 by Imperial Ordinance.

Provisions of these exchange regulations are also to be applied to the Kwantung Leased Territories.

A feature of these new regulations on exchange, imports, and exports is that they are not to apply to Japan.

The principal points of revision of Manchukuo Exchange Control especially as they affect imports are as follows:—

Acquisition of letters of credit or exchange transaction for payment for imports which were formerly unrestricted will now be subject to governmental licence when such imports exceed 1,000 yen a month. The licence system for import exchange to be enforced on the following basis:—

Exchange will not be allowed for imports of luxuries such as articles of art, jewellery, perfumery, toilet articles, photographic instruments and parts, liquors and tobaccos, expensive motor cars, and other luxuries. Severe restrictions are also to apply on exchange for goods which can be produced in Manchukuo or imported from Japan such as wheat, flour, sugar, paper, tea, pharmaceuticals, watches and clocks, confectionery, silk and rayon fabrics, pottery, and canned goods.

Imports of cotton and wool are also to be restricted.

A governmental licence system is also to apply to imports and exports which do not require exchange transactions, also to exports and imports of securities.

Withdrawals from Manchukuo of capital or profits or other remittances abroad which were formerly unrestricted will now fall under Government licence.

The above briefly summarizes the new form of control to be exercised in Manchukuo over exchange and indirectly over trade, thus linking the nation's economy more closely with that of Japan as the latter country does not come under the new restrictions.

## ARGENTINE GRAIN ACREAGE, 1937

Mr. J. A. Strong, Canadian Trade Commissioner at Buenos Aires, writes under date October 29 that the second official estimate of the acreage seeded to wheat and other cereals this year was issued by the Department of Agriculture on October 28.

The second estimate places the area in wheat at 19,266,000 acres, or 1,679,600 acres more than the first official estimate of September 17 last and 1,770,990 acres more than in 1936, also 24,231 acres above the previous ten-year average and 1,278,324 acres more than the average for the last five years. The Province of Buenos Aires accounts for 49.7 per cent of the wheat acreage this year.

The acreages in flax and other cereals, with those for the September 17 estimate and 1936 respectively within parentheses, are as follows: flax, 7,335,900 (6,298,500 and 7,434,700); oats, 3,235,700 (3,122,200 and 2,964,000); barley, 1,926,600 (1,914,250 and 1,976,000); rye, 2,124,200 (2,099,500 and 1,729,000); and birdseed, 108,680 (98,800 and 109,915).

The Argentine Government has prohibited as from October 29 the exportation of wheat and wheat flour until further notice. The official pronouncement states that wheat stocks in the country are ample for domestic requirements until the new crop is harvested, but that it is expedient to adopt this measure to avoid unjustifiably high bread prices within the country.

## TRADE COMMISSIONERS ON TOUR

Mr. B. C. Butler, Canadian Trade Commissioner in Singapore, Straits Settlements (whose territory covers the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India), and Mr. J. H. English, Canadian Trade Commissioner in London, England, are at present on tour in the interests of Canadian trade with their respective territories. Their itineraries are as follows:—

### Mr. Butler

London . . . . .	Nov. 15 to 18	St. Catharines and Niagara Falls . . . . .	Nov. 29 and 30
Brantford and Galt . . . . .	Nov. 19 and 20	Oakville, New Toronto and Weston . . . . .	Dec. 1 and 2
Kitchener . . . . .	Nov. 22 and 23	Toronto . . . . .	Dec. 3 to 18
Guelph . . . . .	Nov. 24		
Hamilton . . . . .	Nov. 25 to 27		

### Mr. English

Kitchener . . . . .	Nov. 15 and 16	Halifax . . . . .	Nov. 27 and 29
Windsor . . . . .	Nov. 17	Annapolis Valley . . . . .	Nov. 30 and Dec. 1
London . . . . .	Nov. 18 and 19	St. John . . . . .	Dec. 2
Quebec . . . . .	Nov. 22	Sherbrooke . . . . .	Dec. 3
Charlottetown . . . . .	Nov. 25	Montreal . . . . .	Dec. 4 to 23

Firms who wish to be brought in touch with the Trade Commissioners should communicate, for Toronto, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres with the respective Board of Trade or Chamber of Commerce.

## EXCHANGE OF NOTES BETWEEN CANADA AND EL SALVADOR

An Exchange of Notes between Canada and El Salvador signed on November 2, 1937, at San Salvador, provides for exchange of most-favoured-nation treatment in tariff matters between the two countries as from November 17, 1937. Exception is made as regards advantages accorded by El Salvador to other Central American Republics, so long as such advantages are not accorded to any other country. The new agreement secures for Canada assurance that the minimum tariff of El Salvador will apply to imports from Canada and also any rates lower than the minimum tariff established in agreements between El Salvador and other countries. Up to June 14, 1937, Canadian products had been subject to a "medium" tariff, consisting of the minimum tariff rates increased by 15 per cent, but on that date the "medium" tariff was abolished and Canada was accorded the minimum tariff. The maximum tariff of El Salvador consists of the minimum tariff with a surcharge of 200 per cent.

Total exports from Canada to El Salvador in the fiscal year ended March 31, 1937, amounted to \$111,060, made up mainly of wheat, wheat flour, inorganic chemicals, and paper. Imports from El Salvador totalled \$23,158, consisting chiefly of coffee, and sisal, istle and tampico fibres.

## BRITISH MERCHANDISE MARKS ACT, 1926

### Baskets; Furniture and Frames

The Chief Canadian Trade Commissioner in London writes that the Board of Trade have referred to the Merchandise Marks Act Standing Committee an application for an Order in Council to require the marking with an indication of origin of the following goods when imported into the United Kingdom: (1) baskets (other than fruit bushels, cucumber and game flats and similar baskets ordinarily used for the transport of food); (2) furniture and frames therefor.



## TARIFF CHANGES AND CUSTOMS REGULATIONS

### United States

#### QUOTA FOR RED CEDAR SHINGLES

The Canadian Legation at Washington have advised that the United States Treasury Department report the quota for red cedar shingles to be imported into the United States during the second six months of 1937, amounting to 892,373 squares, was completed on November 1.

### Netherlands

#### IMPORT RESTRICTIONS ON RUBBER BOOTS

Mr. J. A. Langley, Canadian Trade Commissioner at Rotterdam, advises that by a royal decree of October 22, 1937, the restrictions on the importation into the Netherlands of rubber boots, to which reference was made in *Commercial Intelligence Journal* No. 1737 (May 15, 1937), page 857, have been extended. During the period from November 1, 1937, to October 31, 1938, inclusive, imports from each supplying country shall not exceed 35 per cent of the number of pairs imported during 1934. The previous quota was the same. A certificate of origin is required for entry of this commodity.

It is specified that the Minister of Economic Affairs may grant special quotas to designated countries.

### Colony of Dominica

#### VALUE FOR DUTY

An amendment to the Dominica Trade and Revenue Act, 1894, effective from July 1, 1937, states that "the value of any imported goods for the purpose of assessing duty ad valorem shall be taken to be the price which an importer would give for the goods on a purchase in the open market if the goods were delivered to him at the port of importation, freight, insurance, commission, and all other costs, charges, and expenses incidental to the purchase and delivery at that port (except any duties of customs) having been paid, and duty shall be paid on that value as fixed by the treasurer." Formerly the value for duty was "the price charged for the said goods by the vendor thereof as verified by the invoice of such goods."

### Chile

#### TARIFF CHANGES

Mr. M. J. Vechsler, Canadian Trade Commissioner in Lima, advises that a Chilean decree published September 16, 1937, increased the duty on roughly sawn pine timber from 52 to 70 gold pesos per cubic metre (424 feet board measure), and on undyed mechanical or chemical pulp for the manufacture of paper from 3.80 to 5 gold pesos per metric quintal (220.4 pounds). Increases in duty have also been made on silk yarns, mineral oil, paraffin, alizarine, glass, sugar and tea.

### Ecuador

#### TARIFF ON FLOUR REDUCED

Mr. M. J. Vechsler, Canadian Trade Commissioner in Lima, reports that he has been advised by the Director General of Customs of Ecuador that the surcharge of 50 per cent of the duty applicable to imports of Canadian flour into Ecuador has been removed as from October 7, 1937, and that the import duty has been reduced from 20 centavos to 7 centavos per kilogram (from 70 to 24 cents per 100 pounds at the current rate of exchange).

## FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING NOV. 8, 1937

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, November 8, and for the week ending Monday, November 1, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Nov. 1	Nominal Quotations in Montreal Week ending Nov. 8	Official Bank Rate
Austria . . . . .	Schilling	.1407	\$ .1882	\$ .1894	3½
Belgium . . . . .	Belga	.1001	.1692	.1707	2
Bulgaria . . . . .	Lev	.0072	.0129	.0129	6
Czechoslovakia . . . . .	Krone	.0296	.0350	.0351	3
Denmark . . . . .	Krone	.2680	.2214	.2241	4
Finland . . . . .	Markka	.0252	.0219	.0221	4
France . . . . .	Franc	.0392	.0337	.0341	3½
Germany . . . . .	Reichsmark	.2382	.4018	.4042	4
Great Britain . . . . .	Pound	4.8666	4.9612	5.0200	2
Greece . . . . .	Drachma	.0130	.0091	.0092	6
Holland . . . . .	Guilder	.4020	.5529	.5559	2
Hungary . . . . .	Pengo	.1749	.2955	.2953	4
	Unofficial		.1974	.1983	—
Italy . . . . .	Lira	.0526	.0526	.0526	4½
Jugo-Slavia . . . . .	Dinar	.0176	.0231	.0232	5
Norway . . . . .	Krone	.2680	.2492	.2522	4
Poland . . . . .	Zloty	.1122	.1890	.1894	5
Portugal . . . . .	Escudo	.0442	.0449	.0452	4
Roumania . . . . .	Leu	.0060	.0073	.0073	4½
Spain . . . . .	Peseta	.1930	.0624	.0631	5
Sweden . . . . .	Krona	.2680	.2557	.2588	2½
Switzerland . . . . .	Franc	.1930	.2312	.2327	1½
United States . . . . .	Dollar	1.0000	.9998	.9993	1
Mexico . . . . .	Peso	.4985	.2775	.2773	4-5
Cuba . . . . .	Peso	1.0000	.9992	.9986	—
Guadeloupe . . . . .	Franc	.0392	.0337	.0341	—
Jamaica . . . . .	Pound	4.8666	4.9712	5.0300	—
Martinique . . . . .	Franc	.0392	.0337	.0341	—
Other British West Indies	Dollar	1.0138	1.0335	1.0459	—
Argentina . . . . .	Peso (Paper)	.4245	.3307	.3348	—
	Unofficial		.2960	.2978	—
*Brazil . . . . .	Milreis	.1196	.0559	.0557	—
British Guiana . . . . .	Dollar	1.0138	1.0335	1.0459	—
Chile . . . . .	Peso	.1217	.0517	.0517	3-4½
Colombia . . . . .	Peso	.9733	.5697	.5695	4
Peru . . . . .	Sol	.2800	.2600	.2598	6
Venezuela . . . . .	Bolivar	.1930	.3137	.3135	—
Uruguay . . . . .	Peso	1.0342	.7916	.7910	—
South Africa . . . . .	Pound	4.8666	4.9550	5.0140	3½
Egypt . . . . .	Pound (100 Piastres)	4.9431	5.0800	5.1460	—
China (Shanghai) . . . . .	Dollar	.....	.2940	.2949	—
Hongkong . . . . .	Dollar	.....	.3099	.3128	—
India . . . . .	Ruppee	.3650	.3746	.3791	3
Japan . . . . .	Yen	.4985	.2890	.2924	3.29
Java . . . . .	Guilder	.4020	.5528	.5559	—
Siam . . . . .	Baht (Tical)	.4424	.4547	.4602	—
Straits Settlements . . . . .	Dollar	.5678	.5818	.5884	—
Australia . . . . .	Pound	4.8666	3.9687	4.0162	3
New Zealand . . . . .	Pound	4.8666	4.0000	4.0485	2

\* Unofficial.

The Dominion Bureau of Statistics has supplied the following note:—

Sterling rates swung sharply upward between November 2 and 8 from \$4.96 to \$5.02, their highest level since September, 1936. French francs continued to stiffen gradually, while the United States dollar turned definitely weaker. This development was considered as the forerunner of a substantial gold flow from the United States to Europe. Japan made its fourth shipment of \$6.6 millions to the United States early in November, bringing the total of this movement to slightly more than \$26 millions.



## TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

### Secretary, Board of Trade—

Saint John, N.B.  
Halifax, N.S.  
Quebec, P.Q.  
Montreal, P.Q.  
Toronto, Ont.

Chatham, Ont.  
Kitchener, Ont.  
Stratford, Ont.  
Woodstock, Ont.  
St. Mary's, Ont.

Portage la Prairie, Man.  
St. Boniface, Man.  
Winnipeg, Man.  
Vancouver, B.C.  
New Westminster, B.C.

### Secretary, Chamber of Commerce—

Sherbrooke, P.Q.  
Kingston, Ont.  
Oshawa, Ont.

Belleville, Ont.  
Peterborough, Ont.  
London, Ont.

Hamilton, Ont.  
Victoria, B.C.  
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

### Secretary, Canadian Manufacturers Association—

Toronto, Ont.  
Montreal, P.Q.

Winnipeg, Man.  
Edmonton, Alta.

Vancouver, B.C.  
Victoria, B.C.

The Maritime Provinces Trade Commissioner, 122 Federal Building, Toronto, Ont.

The Bureau of Provincial Information, Victoria, B.C.

**Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.**

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Foodstuffs—</b>			
Flour.....	781	Glasgow, Scotland.....	Purchase.
<b>Miscellaneous—</b>			
Buckwheat.....	782-83	Brussels, Belgium.....	Agency.
Shoe Shanks.....	784	Milan, Italy.....	Purchase or Agency.
Boot and Shoe Findings.....	785	Milan, Italy.....	Purchase or Agency.
Veneers.....	786	Milan, Italy.....	Agency.
Woodpulp.....	787	Milan, Italy.....	Agency.
Fireless Cookers.....	788	Melbourne, Australia.....	Purchase.
Bath Heaters (Kerosene-operated).	789	Melbourne, Australia.....	Agency.
Hand Irons (Petrol or Kerosene-operated).	790	Melbourne, Australia.....	Agency.
Ironing Machines (Petrol or Kerosene-operated).	791	Melbourne, Australia.....	Agency.
Spare Parts and Accessories for Motor Cars and Motor Trucks.	792-93	Cairo, Egypt.....	Purchase or Agency.
Rubber Belting.....	794	Melbourne, Australia.....	Indent Agency.
Outboard Motors.....	795	Melbourne, Australia.....	Agency.
Radio Tubes.....	796	Melbourne, Australia.....	Agency.
Rum Casks, New or Second-hand Stock.	797	Port of Spain, Trinidad...	Purchase or Agency.

## PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

### From Montreal

*To Liverpool.*—Duchess of Atholl, Nov. 19; Duchess of York, Nov. 24; Montrose, Nov. 25—all Canadian Pacific; Antonia, Cunard-White Star Line, Nov. 19.

*To London.*—Beaverhill, Nov. 19; Beaverford, Nov. 25—both Canadian Pacific; Ascania, Nov. 19; Aurania, Nov. 25—both Cunard-White Star Line; Rutenfjell, Nov. 15; Taborfjell, Nov. 26—both Fjell Line.

*To Manchester.*—Manchester Commerce, Nov. 18; Manchester Port, Nov. 25; Manchester Brigade, Nov. 27—all Manchester Line.

*To Southampton.*—Duchess of Richmond, Canadian Pacific, Nov. 25.

*To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—Dakotian, Cunard-Donaldson and Dominion Lines, Nov. 20; Bristol City, Bristol City and Dominion Lines, Nov. 27.

*To Glasgow.*—Delilian, Nov. 19; Letitia, Nov. 25—both Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Cairnvalona, Nov. 17; Cairnesk, Nov. 24; Cairnglen, Nov. 29—all Cairn-Thomson Line.

*To Aberdeen and Hull.*—Consuelo, Ellerman's Wilson Line, Nov. 24.

*To Dublin, Cork and Belfast.*—Melmore Head, Nov. 20; Dunaff Head (does not call at Dublin or Cork), Nov. 24—both Head Line.

*To Antwerp.*—Flint II, Nov. 14; Grey County, Nov. 27—both County Line (also call at Havre); Rutenfjell, Nov. 15; Taborfjell, Nov. 26—both Fjell Line; Beaverford, Canadian Pacific, Nov. 26.

*To Rotterdam.*—Rutenfjell, Nov. 15; Taborfjell, Nov. 26—both Fjell Line; August, County Line, Nov. 26.

*To Hamburg.*—Beaverhill, Canadian Pacific, Nov. 19.

*To Marseilles, Genoa, Naples, Messina, Palermo, Lisbon and Leghorn.*—Capo Noli, Capo Line, Nov. 20.

*To St. John's, Nfld.*—Belle Isle (also calls at St. Pierre-Miquelon), Newfoundland-Canada SS. Co., Nov. 19; Imogene, Shaw SS. Co. Ltd., Nov. 29.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Chomedy (calls at Guadeloupe and Martinique if sufficient cargo offered), Canadian National, Nov. 25.

*To Hamilton (Bermuda), Nassau (Bahamas), Kingston (Jamaica) and Belize (British Honduras).*—Cathcart (does not call at Hamilton or Nassau), Nov. 19; Lady Rodney, Nov. 24—both Canadian National.

*To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad, Demerara and Paramaribo.*—A steamer, Ocean Dominion SS. Corp., Nov. 24 (calls at Guadeloupe and Martinique if sufficient cargo offered).

*To Brisbane, Sydney and Melbourne.*—Surrey, Montreal-Australia-New Zealand Line, Nov. 23.

*To Auckland, Wellington, Lyttelton and Dunedin.*—Ardenvohr, Montreal-Australia-New Zealand Line, Nov. 18.

*To Sierra Leone, Walvis Bay, Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques and Beira.*—Heimvard (does not call at Sierra Leone, Walvis Bay, Port Elizabeth, Lourenco Marques or Beira, but calls at Algoa Bay), Cosmopolitan Navigation Co., Nov. 15; Calgary, Elder Dempster Lines Ltd., Nov. 25.

*To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Singapore, Madras, Rangoon and Calcutta.*—City of Worcester, Canada-India Service, Nov. 18.

### From Saint John

*To Liverpool.*—Montclare, Dec. 3; Duchess of Bedford, Dec. 10; Duchess of Atholl, Dec. 15—all Canadian Pacific.

*To London.*—Beaverdale, Dec. 2; Beaverbrae, Dec. 9; Beaverburn, Dec. 16—all Canadian Pacific.

*To Manchester.*—Manchester City, Manchester Line, Dec. 9.

*To Southampton.*—Duchess of Richmond, Canadian Pacific, Dec. 14.



*To Avonmouth (Port of Bristol), Cardiff and Swansea.*—Dorelian, Cunard-Donaldson and Dominion Lines, Dec. 24.

*To Glasgow.*—Athenia, Donaldson-Atlantic Line, Dec. 11.

*To Newcastle and Leith.*—Cairnmona, Cairn-Thomson Line, Dec. 16 (also calls at Dundee).

*To Dublin and Belfast.*—Torr Head, Head Line, Dec. 28 (cargo accepted for Cork).

*To Antwerp and Havre.*—Beaverhill (does not call at Havre), Canadian Pacific, Dec. 23; Hada County, County Line, Dec. 23.

*To Rotterdam.*—Hada County, County Line, Dec. 23.

*To Hamburg.*—Beaverburn, Canadian Pacific, Dec. 16.

*To Marseilles, Genoa, Naples, Messina, Palermo and Seville.*—Capo Lena, Capo Line, Dec. 16.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Hawkins, Nov. 24; Lady Drake, Dec. 8—both Canadian National.

*To Kingston (Jamaica).*—Coppename, Nov. 20; a steamer, Dec. 4—both United Fruit Co.

*To Brisbane, Sydney, Melbourne and Adelaide.*—Port Halifax, Montreal-Australia-New Zealand Line, Dec. 21.

*To Auckland, Wellington, Lyttelton and Dunedin.*—Kaikoura (also calls at Timaru and Bluff), Montreal-Australia-New Zealand Line, Dec. 11.

*To Alexandria, Port Said, Suez, Port Sudan, Aden, Karachi, Bombay, Colombo, Madras, Rangoon and Calcutta.*—City of Worcester (does not call at Rangoon), Nov. 29; City of Salisbury, Dec. 29—both Canada-India Service.

*To Cape Town, Algoa Bay, East London and Durban.*—Hoegh Carrier, Nov. 27; Hope Crest, Dec. 7—both Cosmopolitan Navigation Co.

*To Buenos Aires.*—Nordkap (also calls at Montevideo), Guardiaz Line, Dec. 4.

### From Halifax

*To Liverpool.*—Manchester Division, Nov. 22; Manchester Producer, Dec. 2; Manchester Exporter, Dec. 23—all Manchester Line; Nova Scotia, Furness Line, Nov. 27.

*To London.*—Beemsterdyk, Nov. 19; Spaarndam, Nov. 30—both Holland-America Line; Capulin, Nov. 24; City of Flint, Dec. 8—both American Hampton Roads.

*To Manchester.*—Manchester Commerce, Nov. 21; Manchester Port, Nov. 28; Manchester Brigade, Dec. 4; Manchester City, Dec. 11; Manchester Citizen, Dec. 18—all Manchester Line.

*To Southampton.*—Duchess of Richmond, Canadian Pacific, Dec. 15.

*To Glasgow.*—Athenia, Donaldson-Atlantic Line, Dec. 13.

*To Newcastle and Leith.*—Cairnvalona, Nov. 20; Cairnesk, Nov. 27; Cairnglen, Dec. 4; Cairnmona, Dec. 18—all Cairn-Thomson Line; Capulin, Nov. 24; City of Flint, Dec. 8—both American Hampton Roads (call at Dundee and Hull but not at Newcastle); Guido, Nov. 17; Gitano, Dec. 1; Kyno, Dec. 24—all Ellerman's Wilson Line (call at Aberdeen but not at Leith).

*To Cardiff, Bristol and Swansea.*—New York City, Nov. 15; Bristol City, Dec. 1; Boston City, Dec. 15—all Bristol City and Dominion Lines.

*To Rotterdam.*—Beemsterdyk, Nov. 19; Spaarndam, Nov. 30—both Holland-America Line.

*To Hamburg and Bremen.*—Capulin, Nov. 24; City of Flint, Dec. 8—both American Hampton Roads; Beaverburn (does not call at Bremen), Canadian Pacific, Dec. 17.

*To St. John's, Nfld., and St. Pierre-Miquelon.*—Fort Amherst, Nov. 15 and Dec. 6; Fort Townshend, Nov. 22—both Furness-Red Cross Line; Kongshaug, Newfoundland-Canada SS. Ltd., Nov. 15 and 29; Nova Scotia, Nov. 27; Newfoundland, Dec. 18—both Furness Line (do not call at St. Pierre); Portia (does not call at St. Pierre), Newfoundland Ry. and SS. Co., Nov. 17 and Dec. 1.

*To Hamilton, Nassau, Kingston and Belize.*—Cathcart (does not call at Hamilton or Nassau), Nov. 19; Cavellier (does not call at Hamilton or Nassau), Dec. 2; Lady Somers, Dec. 9—all Canadian National.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Nelson, Nov. 18; Lady Hawkins, Dec. 2; Lady Drake, Dec. 16—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer (calls at Guadeloupe and Martinique if sufficient cargo offered), Ocean Dominion SS. Corp., Nov. 13 and 29.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Colborne, Nov. 15; Chomedy, Nov. 29—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Bermuda, West Indies, and Demerara.*—Heroy, Nov. 25; a steamer, Dec. 9—both Pickford & Black Ltd.

*To Santiago (Cuba) and Kingston (Jamaica).*—Ciss, Nov. 17; Kirsten B, Dec. 1—both Pickford & Black Ltd.

*To Brisbane, Sydney, Melbourne and Adelaide.*—Port Halifax (also calls at Geelong), Montreal-Australia-New Zealand Line, Dec. 29.

*To Auckland, Wellington, Lyttelton and Dunedin.*—Kaikoura (also calls at Timaru and Bluff), Montreal-Australia-New Zealand Line, Dec. 19.

*To Yokohama, Kobe, Shanghai, Hongkong, Manila, Cebu and Java.*—Cingalese Prince, Nov. 22; Chinese Prince, Dec. 20—both Furness-Prince Line; Silversandal, Dec. 5; Silver-ye, Jan. 2—both Silver Line.

### From Vancouver

*To Yokohama, Kobe and Osaka.*—Hikawa Maru, Nov. 18; Hiye Maru, Dec. 2; Heian Maru, Dec. 25—all Nippon Yusen Kaisha.

*To Yokohama, Kobe, Shanghai, Hongkong and Manila.*—Empress of Canada (calls Honolulu), Nov. 27; Empress of Russia (calls Nagasaki), Dec. 11; Empress of Japan (calls Honolulu), Dec. 25—all Canadian Pacific; Talthybius, Dec. 4; Tyndareus, Jan. 6—both Blue Funnel Line (call at Miike but not at Manila).

*To Manila, Iloilo, Cebu, Macassar, Soerabaya, Samarang, Batavia, Singapore, Port Swettenham, Belawan Deli, Colombo, Bombay and Persian Gulf Ports.*—Hoegh Transporter, Dec. 2; Bengkalis, Jan. 1—both Silver Java Pacific Line.

*To Honolulu, Suva, Auckland and Sydney.*—Niagara, Nov. 24; Aorangi, Dec. 22—both Canadian-Australasian Line.

*To Papeete, Auckland, Wellington, Lyttelton, Dunedin, Melbourne and Sydney.*—Wairuna (calls at Napier), Nov. 25; Limerick, Dec. 25—both Canadian-Australasian Line.

*To Brisbane, Sydney, Melbourne and Adelaide.*—Koyei Maru, Nov. 25; Llandaff, Dec. 15—both Empire Shipping Co.

*To London, Liverpool and Rotterdam.*—Nebraska, Nov. 27; Delftdyk (calls at Glasgow), Dec. 11; Lochgoil, Dec. 25—all North Pacific Coast Line.

*To Antwerp, Hamburg and Bremen.*—Portland, Nov. 21; Vancouver, Dec. 8; Oakland, Jan. 1—all Hamburg-American Line; Schwaben, Nov. 29; Elbe, Dec. 20—both North German Lloyd Line.

*To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.*—San Francisco, Nov. 21; Wyoming, Dec. 10—both Empire Shipping Co.

*To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.*—Indien, Nov. 25; Cellina, Dec. 21—both Empire Shipping Co.

*To Port of Spain (Trinidad) and Bridgetown (Barbados).*—Brynje, Canadian Transport Co., late November.

*To Kingston (Jamaica), Trinidad and Demerara.*—A steamer, Canadian Transport Co., early December.

*To Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques, Beira, Colombo, Calcutta and Madras.*—Silverpalm, Silver-Java Pacific Line, Dec. 4; Arna (does not call at East London, Colombo, Calcutta or Madras), North Pacific Shipping Co. Ltd., early December.

*To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.*—Hoyanger, Nov. 25; Leikanger, Dec. 24—both Empire Shipping Co.

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**Note.**—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.



# COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

## CANADIAN GOVERNMENT TRADE COMMISSIONERS

### Argentina

J. A. STRONG, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

### Australia

*Sydney*: L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh Streets. (Territory covers Federal District of Canberra, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

*Melbourne*: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building, Melbourne. (Territory covers States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

### Belgium

YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

### Brazil

L. S. GLASS. Address for letters—Caixa Postal 2164, Rio de Janeiro. Office—Ed. Da. "A. Noite," Sala 802, Praca Maua. *Cable address, Canadian.*

### British Malaya

B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory covers the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

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*Trinidad*: M. B. PALMER. Address for letters—P.O. Box 125, Port of Spain. Office—Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, and British Guiana.) *Cable address, Canadian.*

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### Egypt

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### France

HERCULE BARRÉ, Commercial Attaché, 3 rue Scribe, Paris (9). (Territory includes French Colonies in North Africa.) *Cable address, Cancomac.*

### Germany

J. C. MACGILLIVRAY, Mönckebergstrasse 31, Hamburg. (Territory includes Germany, Czechoslovakia, Austria, and Poland.) *Cable address, Canadian.*

### Hongkong

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### British India

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### Irish Free State and Northern Ireland

JAMES CORMACK, 66 Upper O'Connell Street, Dublin, Irish Free State (*cable address, Canadian*); and 36 Victoria Square, Belfast, Northern Ireland.

## CANADIAN GOVERNMENT TRADE COMMISSIONERS—*Con.*

### Italy

A. B. MUDDIMAN, Via Manzoni Nr. 5, Milan (102). (Territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia.) *Cable address, Canadian.*

### Japan

Tokyo: C. M. CROFT, Commercial Secretary. Address for letters—P.O. Box 401, Tokyo Central. Office—Canadian Legation, 16 Omotecho, 3-chome, Akasakaku, Tokyo. *Cable address, Canadian.*

Kobe: P. V. McLANE. Address for letters—P.O. Box 230, Kobe. Office—309 Crescent Building, 72 Kyomachi, Kobe. *Cable address, Canadian.*

### Mexico

R. T. YOUNG. Address for letters—Apartado Num. 126-Bis, Mexico City. Office—Edificio Banco de Londres y Mexico, Num. 30, Mexico City. (Territory includes Guatemala, Honduras, and Salvador.) *Cable address, Canadian.*

### Netherlands

J. A. LANGLEY, Coolsingel 111b, Rotterdam. (Territory includes Switzerland.) *Cable address, Canadian.*

### New Zealand

W. F. BULL. Address for letters—P.O. Box 33, Auckland. Office, Yorkshire House, Shortland Street, Auckland. (Territory includes Fiji and Western Samoa.) *Cable address, Canadian.*

### Norway

RICHARD GREW, Stortingsgaten 28, Oslo. (Territory includes Sweden, Denmark, and Finland.) *Cable address, Canadian.*

### Panama

W. J. RIDDIFORD. Address for letters—P.O. Box 222, Panama City. Office—Royal Bank of Canada Building, Santa Ana Plaza, Panama City. (Territory includes the Canal Zone, Venezuela, Colombia, Nicaragua, and Costa Rica.) *Cable address, Canadian.*

### Peru

M. J. VECHSLER. Address for letters—Casilla 1212, Lima. Office—Portal de Belén No. 166, Plaza San Martin, Lima. (Territory includes Bolivia, Ecuador, and Chile.) *Cable address, Canadian.*

### South Africa

Cape Town: G. R. HEASMAN. Address for letters—P.O. Box 683, Cape Town. Office—Cleghorn & Harris Building, Adderley Street, Cape Town. (Territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar.) *Cable address, Cantracom.*

Johannesburg: J. L. MUTTER. Address for letters—P.O. Box 715, Johannesburg. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

### United Kingdom

London: FREDERIC HUDD, Chief Trade Commissioner in the United Kingdom, Canada House, Trafalgar Square, S.W. 1. *Cable address, Sleighing, London.*

London: J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W. 1. (Territory covers Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

London: W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C. 2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—covers United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

London: W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W. 1. *Cable address, Agrilson.*

Liverpool: H. R. POUSSETTE, Martins Bank Building, Water Street. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

Bristol: E. L. MCCOLL, Northcliffe House, Colston Avenue. (Territory covers West of England, South Wales, and South Midlands.) *Cable address, Canadian.*

Glasgow: G. B. JOHNSON, 200 St. Vincent Street. (Territory covers Scotland.) *Cable address, Cantracom.*

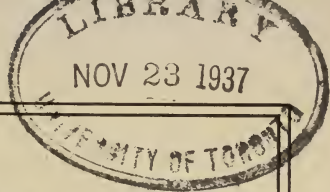
### United States

New York City: D. S. COLE, British Empire Building, Rockefeller Center. (Territory includes Bermuda.) *Cable address, Cantracom.*

**Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.**



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# COMMERCIAL INTELLIGENCE JOURNAL

Vol. LVII

Ottawa, November 20, 1937

No. 1764



**Five-masted Schooner arriving at Belfast with Cargo of Timber  
from Halifax**

*Courtesy, Belfast News-Letter*

ISSUED BY AUTHORITY OF  
**THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE**  
**JAMES G. PARMELEE, DEPUTY MINISTER**

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# COMMERCIAL INTELLIGENCE JOURNAL

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Vol. LVII

Ottawa, November 20, 1937

No. 1764

## TRADE COMMISSIONERS ON TOUR

Mr. B. C. Butler, Canadian Trade Commissioner in Singapore, Straits Settlements (whose territory covers the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India), and Mr. J. H. English, Canadian Trade Commissioner in London, England, are at present on tour in the interests of Canadian trade with their respective territories. Their itineraries are as follows:—

### Mr. Butler

Kitchener . . . . .	Nov. 22 and 23	Oakville, New Toronto and	
Guelph . . . . .	Nov. 24	Weston . . . . .	Dec. 1 and 2
Hamilton . . . . .	Nov. 25 to 27	Toronto . . . . .	Dec. 3 to 18
St. Catharines and Niagara Falls . . . . .	Nov. 29 and 30		

### Mr. English

Quebec . . . . .	Nov. 22	St. John . . . . .	Dec. 2
Charlottetown . . . . .	Nov. 25	Sherbrooke . . . . .	Dec. 3
Halifax . . . . .	Nov. 27 and 29	Montreal . . . . .	Dec. 4 to 23
Annapolis Valley . . . . .	Nov. 30 and Dec. 1		

Firms who wish to be brought in touch with the Trade Commissioners should communicate, for Toronto, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres with the respective Board of Trade or Chamber of Commerce.

## TRADE WITH POLAND: POINTS FOR EXPORTERS

J. C. MACGILLIVRAY, CANADIAN TRADE COMMISSIONER

Warsaw, October 9, 1937.—After a subjection which lasted for more than a hundred and fifty years the Republic of Poland was formed in 1918 from portions of the former Russian, German, and Austro-Hungarian Empires. Situated in Central Europe between the 50th and 55th parallels, its position is roughly analogous to that of the southern half of the Canadian Prairie Provinces, although the climate is more moderate and the precipitation greater. The area of the country is about 150,000 square miles in comparison with about 412,000 square miles for the province of Ontario. In extent of territory Poland ranks sixth in Europe following Russia, France, Spain, Germany, and Sweden. The national frontiers run to a length of 3,437 miles, with about 35 per cent of the total shared with Germany, which lies to the west and north, and some 25 per cent with Russia, which is to the east. There are shorter frontiers adjoining Czechoslovakia, Roumania, Lithuania, and Latvia, and about 80 miles or 2.5 per cent of the aggregate fronts on the Baltic Sea.

### ADMINISTRATIVE DIVISIONS

For administrative purposes Poland is divided into seventeen provinces or voivodships, including the city of Warsaw. The others are Warsaw voivod-

ship, as distinct from the city, Lodz, Kielec, Lublin, Bialystok, Wilno, Nowogrodek, Polesie, Wolyn, Poznan, Pomorze, Slask, Krakow, Lwow, Stanislawow, and Tarnopol.

### TOPOGRAPHY AND CLIMATE

Topographically the country is a continuation of the great Russian plain and is generally flat except in the south, where the Carpathian Mountains separate it from Czechoslovakia. While the winters are colder and the summers somewhat warmer than those experienced in Western Europe, there are no extremes of temperature except in the extreme east, where the winters are often severe. Rainfall is everywhere adequate.

### POPULATION

The population of Poland is in round figures 35,500,000, and in Europe is only exceeded by that of Russia, Germany, the United Kingdom, France, and Italy. The people are among the most prolific in the world. The average annual increase is in excess of 450,000, or over 14 per 1,000. As regards language, Polish is the mother tongue of 69 per cent of the people, Ukrainian of some 15 per cent, Hebrew of 8 per cent, Russian of 5 per cent, and German of 2 per cent. Warsaw, the capital, has a population of about 1,250,000. Lodz follows in second place with 625,000, and Lwow is third with 325,000. There are nine other cities having populations in excess of 100,000. Turning to religion, 65 per cent of the people are Roman Catholics, about 21 per cent are adherents of the Greek Catholic and Greek Orthodox Church, and some 10 per cent are Jews.

### LIVING STANDARDS

In comparison with Western Europe living standards are low, particularly among the peasants, who number about 22,000,000 and constitute the largest occupational group and whose per capita consumption of manufactured goods is very small. The number of motor cars in operation is somewhat less than 28,000 or about 0.7 per 1,000 of population in comparison with 106.2 per 1,000 in Canada and 43.4 in the United Kingdom. There are only 7 telephones per 1,000 of population against 107 in Denmark and 54 in the United Kingdom. Persons with annual incomes in excess of \$2,250 number 35,000. Except for the bare necessities of life, commodity prices are high in relation to the low level of wages and incomes.

Agriculture engages 64 per cent of the population, industry 15 per cent, trade 6 per cent, communications 3 per cent, and other occupations 12 per cent. Owing to the preponderant position occupied by agriculture, unemployment is relatively low, the unemployed industrial worker reverting to peasant.

In considering the standard of living it should be borne in mind that Poland has been in existence as a nation for less than twenty years, prior to which a large part of its area had been devastated by over four years of war. Owing to its exposed geographical position and lack of natural frontiers, national defence continues to be a heavy strain on the state finances and absorbs about 40 per cent of the yearly budget, thus retarding development in other directions.

### NATURAL RESOURCES

Apart from a rich soil well suited for intensive agriculture, Poland possesses mineral resources of considerable value, the extent of which is estimated by the Government Statistical Bureau as follows, in millions of tons: coal, 61,781; lignite, 5,000; crude oil, 160; rock and brine salt, 5,900; potassium salts, 450; iron ore, 165; zinc and lead ores, 33.



As a producer of coal in Europe, Poland occupies fifth place after the United Kingdom, Germany, Russia, and France, while as a coal-exporting country she occupies third place following the United Kingdom and Germany. As a source of oil she rests in third place after Russia and Roumania.

With an area under forests which approximates 20,000,000 acres, and an annual production of timber which is estimated at some 760,000,000 cubic feet, Poland follows Russia, Finland, and Sweden as the fourth greatest lumber exporter of Europe.

About 36 per cent of the country's forests are owned by the State, and in these state forests 65.5 per cent of the stand is classified as pine, 11.9 per cent as spruce, 3.3 per cent as fir, 4.4 per cent as oak, and 14.9 per cent as miscellaneous deciduous. The latter category includes a fair amount of aspen which is suitable for the manufacture of plywood, and of beech which is used for tool handles and furniture.

#### AGRICULTURE

Poland is fundamentally an agricultural country with 64 per cent of the population engaged in pursuits which fall under this heading. According to the most recent survey, 67.5 per cent of the total area is classified as being arable, including 49 per cent which is utilized for field crops, 10 per cent as meadow, and 7 per cent as pasture land; the remainder of 1.5 per cent is shown as orchards and market gardens. As regards the remainder of the total, 22 per cent is covered with forests, which leaves a residue of only 10 per cent which is listed as being unproductive.

In 1921 some 97 per cent of all holdings were under 50 acres in extent, but the remaining 3 per cent comprised 44 per cent of the area. Since then a land reform policy has broken up 5,500,000 acres or about one-twelfth of the area devoted to agriculture.

#### RYE THE PRINCIPAL CROP

Rye is the principal crop as far as cereals are concerned, with Poland the world's third largest producer, following Russia and Germany. A similar position is occupied as regards potatoes. Horses and hogs are in third and fourth place respectively, followed by oats, sugar-beets, dairy products, wheat, and barley. Agriculture is in the main conducted on a primitive basis as judged by Western standards. For instance, on 79 per cent of all farm holdings grain seeding is done by hand.

#### INDUSTRY

A superabundance of labour and a lack of capital have caused the growth of a large number of small family industries on the one hand and large industrial enterprises financed by foreign capital on the other. For this reason a proper proportion of moderate-sized secondary industries is lacking. It is estimated that about one-half of Poland's industries are operated on funds which have been obtained abroad, mainly in Germany, France, and the United States.

Important coal, iron and steel, and zinc industries are concentrated in the southwestern corner of the country in the neighbourhood of the Upper Silesian, Dabrowa, and Krakow coal fields. The most important is the Upper Silesian, formerly in German hands. An important textile industry is centred around the city of Lodz. Other leading manufactured products include petroleum, potash, salt, beet sugar, potato alcohol, foods, machinery, leather, paper, and chemicals.

As distinct from private enterprise, the State is also actively engaged in industry. Besides owning and operating such public utilities as the railways and telegraph, telephone, and radio services, it retains a monopoly of the

trade in tobacco, spirits, salt, and matches. These latter are for revenue purposes. In addition, principally because of the lack of sufficient private capital, it controls the largest petroleum refinery, three coal mines, the two largest fertilizer plants, and it has also been in the automobile business. Other state activities include the ownership and operation of steamship lines, air transport, and certain national defence plants. Apart from the foregoing, the State financially supports many private establishments.

### FOREIGN TRADE

The annual value of Poland's foreign trade is somewhat below 1 per cent of the world's total, being thus less than one-quarter of that of Canada. In 1936 exports, which were mainly to the United Kingdom and Germany, had a value of \$193,624,000, while imports, which came principally from Germany, the United Kingdom, and the United States, amounted to \$189,327,000.

The principal exports and imports in 1936, with values in thousands of dollars, were as follows:—

<i>Exports</i>		<i>Imports</i>	
	\$1,000		\$1,000
Cereals . . . . .	31,829	Raw cotton . . . . .	27,830
Wood and products . . . . .	30,504	Raw wool . . . . .	22,258
Meat and products . . . . .	30,323	Machinery . . . . .	10,180
Coal . . . . .	24,959	Hides and skins . . . . .	9,655
Iron and steel . . . . .	12,154	Scrap iron . . . . .	6,861
Live animals . . . . .	7,472	Fruit . . . . .	6,198
Zinc and lead . . . . .	5,649	Raw furs . . . . .	6,147
Flax and jute . . . . .	4,766	Copper . . . . .	6,002
Seeds . . . . .	4,542	Tobacco . . . . .	4,380
Mineral oil . . . . .	3,478	Rags . . . . .	4,330

### TRADE WITH CANADA

Owing to the competitive nature of many of the products and the comparative remoteness of both markets, Canadian trade with Poland is small. In the year 1936, according to the Polish statistics, only 0.2 per cent of that country's imports came from Canada, which in turn is credited with absorbing 1 per cent of the exports of Poland, although considerably more than half of this latter figure was represented by Polish rye which was exported to Canada for transhipment to the United States, where it was consumed.

Canadian trade statistics also indicate that commercial intercourse between the two countries is very limited and even below the level indicated by the Polish figures. From 1932 to 1936 the value of trade between Canada and Poland has been, according to the Canadian returns, as shown hereunder:—

	Imports into Canada from Poland	Exports from Canada to Poland
1932 . . . . .	\$ 82,569	\$ 40,504
1933 . . . . .	61,705	43,219
1934 . . . . .	128,271	359,824
1935 . . . . .	130,061	430,505
1936 . . . . .	121,323	406,835

During 1936 exports of copper from Canada to Poland had a value of \$288,126, thus accounting for 70 per cent of the total. The other leading export commodities, together with their values, were: asbestos, \$21,684; abrasives, \$39,287; aluminium, \$5,534; and undressed fox skins, \$7,657. Taken jointly with copper, these items represent almost 90 per cent of the total exports and leave a balance of only \$44,567 for all other lines of merchandise, which included small quantities of rubber tires and tubes, canned fish, rags, skates, and machinery.



Exports from Poland to Canada consist principally of peas, seeds, raw hides and skins, manufactures of cotton, plywood, wooden furniture, glass tableware, and glycerine for explosives, the value of none of which is individually important.

#### IMPORT RESTRICTIONS

Prior to 1929 Poland usually had an adverse balance of trade which was balanced by foreign borrowings, principally in the United States and France. Stoppage of such loans at that time made it necessary, however, to maintain an excess of exports over imports in order that the foreign debt could be serviced. This was done by regulating imports and subsidizing exports. By 1936 the excess had so decreased that it became necessary to suspend all payments abroad, except for merchandise imported under permit, and to adopt a control over foreign exchange. All foreign exchange accruing from exports must be sold to the Government primarily for essential raw materials and other goods, while the remainder is allotted to pay for purchases from countries with which Poland has a favourable trade balance or with which quota treaties exist.

Under existing circumstances, therefore, all merchandise imported into Poland is subject to government control and may only enter the country when the importer has obtained a permit from the control authorities. These permits are valid for a period of three months, and it is essential that the goods covered should arrive before the date of expiration. As a rule, although it is not legally necessary, an import permit carries with it authorization to secure the needed sum of foreign exchange.

When doing business with Poland, Canadian exporters should make sure that their buyers have the necessary authorization to import the goods in question and to pay for them in dollars or sterling. Failure to observe these precautions may result in admission being refused, with consequent loss to the shipper.

#### TRADE AGREEMENT BETWEEN CANADA AND POLAND

By virtue of the Canada-Poland Convention of Commerce Act, 1935 (see *Commercial Intelligence Journal* No. 1641: July 13, 1935), Canadian goods when imported into Poland are entitled to most-favoured-nation treatment, and tariff reductions were secured on a number of items of merchandise as set forth in a schedule to the Convention. In addition, Canada was assured of certain fixed annual quotas, particulars regarding which can be obtained upon application to the Department of Trade and Commerce, Ottawa.

#### CUSTOMS POLICY

The Polish tariff is highly protective. Duty is generally assessed on the basis of weight rather than value and a handling charge is added which amounts to 10 per cent of the total value. Samples are dutiable unless rendered unfit for sale or unless a bond is posted for their subsequent re-exportation.

#### METHODS OF DOING BUSINESS

Most of the larger and more aggressive business houses in Poland are able to correspond in German, French, or English, which languages should, after Polish, be used in the order named.

Most imports from overseas arrive via Gdynia, Poland's seaport on the Baltic, or through Danzig, which is incorporated in the Polish customs area. Hence quotations should where possible be c.i.f. Gdynia or Danzig. A direct steamship service is maintained between New York and Gdynia, but where no direct connection is available transshipment may take place at a British or Continental port.

Railway service within the country is good but highway transportation is undeveloped.

The monetary unit of Poland is the zloty, which has a par quotation of \$0.1122 and a current value of between \$0.18 and \$0.19. Quotations, however, should be submitted in sterling or dollars.

The postage rate on letters destined for Poland is 5 cents for the first ounce and 3 cents for each additional ounce. The weight limit for parcels is 20 pounds. No special or exceptional packing is required for ordinary merchandise.

No hard-and-fast rule can be laid down regarding the appointment of agents or the advisability of doing business direct with importers. The method followed must be made to suit individual cases. When agents are used, the Poles, who have a strong national consciousness, are critical of foreign firms who, instead of employing a Polish representative, leave their interests in the hands of some one not in Poland but in some other European country. Warsaw, in addition to being the capital, is also the principal distributing centre, and most of the firms engaged in the import trade are located there.

In Poland all traders are licensed, and only those in the two higher categories are permitted to engage in foreign trade. By this means inquiries are eliminated from retailers and others who lack competence to act as importers.

#### DOCUMENTATION

The documents required by the Polish authorities for shipments to Poland are a bill of lading, a commercial invoice, a certificate of origin, and in certain instances a health or sanitary certificate. These documents should be submitted in two languages, English and French, English and Polish, or French and Polish. Certificates of origin may be issued in the country of origin either by the customs authorities, boards of trade, chambers of commerce, or other similar commercial institutions. Except in the case of the first-named, all such certificates must be endorsed by a Polish Consul.

The Department of Trade and Commerce in Ottawa has prepared a leaflet giving particulars as to the form which the certificate of origin must follow, together with other relevant details. Copies of this may be obtained by interested exporters upon application.

#### CREDIT TERMS

The recent economic depression has reacted very severely on Polish agriculture, industry, and trade, and as a result credit losses have been heavy and collections slow. A general tightening of terms has been evident and in many lines transactions are now conducted on a cash basis. Under existing conditions terms must be carefully adjusted to meet individual cases.

In view of the restrictions which exist on imports into Poland coupled with its limited purchasing power, the immediate outlook for greatly increasing Canada's exports to that country are not favourable. With a rapidly increasing population and resultant internal development, the market will, however—given a return to more normal conditions—increase in importance.

There is no Canadian Commercial Representative stationed in Poland, but inquiries addressed to the Canadian Government Trade Commissioner in Hamburg, within whose territory this country is included, will receive every attention.

#### PORTUGUESE EXCHANGE CONTROL CANCELLED

Mr. J. C. Depocas, Assistant Trade Commissioner at Milan, writes under date October 26, 1937, that a decree published in the *Diario do Governo* of October 18, 1937, and effective on the same day, cancels all existing restrictions in connection with the granting of foreign exchange in Portugal.



## CONDITIONS IN AND FOREIGN TRADE OF FINLAND, JANUARY TO AUGUST

RICHARD GREW, CANADIAN TRADE COMMISSIONER

(NOTE.—One Finnish Markka is equal to 2.2 cents)

### I. Economic Conditions

Oslo, October 16, 1937.—Although the first evidence of improved economic conditions in Finland was seen in 1932—considerably earlier than in most countries—no signs have yet appeared to check the steady progress, nor are there any indications of unhealthy features. The consumption index of sensitive prices compiled by the Bank of Finland showed a rise of 16 per cent at the beginning of September as compared to July, 1931, when Finland was still on the gold standard, the increase since September, 1935, having been 6 per cent.

This indicates that price levels have been rising more rapidly of late, but this trend has been fairly common in most countries and is due in a large measure to international conditions. The economic situation in Finland is largely dependent on foreign trade, and consequently is extremely sensitive to international changes. The recent rise in the index of the Bank of Finland, mentioned above, has been caused to a great extent by improvement in prices of special commodities such as grain and other agricultural products.

### AGRICULTURE

The price level of agricultural products in Finland, as well as other countries, has been low compared to other commodities, and thus increased prices in such products have meant a definite improvement which is of special importance to Finland, where almost 60 per cent of the population derive their livelihood from agriculture and its allied industries.

The position of the agricultural population has been further improved by good harvests in recent years, and for the most part the current season has proved satisfactory. Harvests from autumn sowings have been particularly good, even better than in previous years, but hay and root crops suffered from a long dry spell during the summer, and the harvests were somewhat inferior to the previous year.

### FORESTRY

The forestry situation, which is of even greater importance than good crops, is considered as extremely favourable. Forest prices became high at the end of 1936 and continued to advance for the remainder of the season. At the commencement of the current season prices were still rising. It is estimated that the agricultural population derived about 3,000,000,000 marks, approximately \$66,000,000 in Canadian currency, from forest sales and labour, which is the largest income from this source on record.

The previous high level, which occurred during the 1927-28 season, was 2,400,000,000 marks or \$52,800,000. At the height of the depression the income derived from this source amounted to 1,000,000,000 marks or about \$22,000,000. It is anticipated that, when the returns for the current season are known, last season's record figure will be exceeded. As a result of these factors, it is obvious that the purchasing power of the agricultural population has increased, and as it is expected to improve still further, the prospect of continued good times appears to be well founded.

### INDUSTRY

In the industrial sphere conditions have also shown a steady advance; production during the second quarter of 1937 shows a gain of 14 per cent over

the same period of 1936. Improvement would have been even greater except for a strike in the metal industry.

Another indication of improved conditions is the activity in building. The consumption of cement for the first six months of the present year was 50 per cent greater than for the same period of 1936. A large increase has taken place in the number of buildings completed, as well as in the number of plans of buildings accepted, without, however, causing anything in the nature of a boom. There is the danger that rent levels may not be able to keep pace with rising building costs, which would create serious difficulties for house-owning companies, but as yet such a contingency has not deterred builders from embarking on new enterprises. The abundance of capital seeking investment at low interest rates has had a stimulating effect on the building trade. In addition, industrial building has been active with the erection of large new cellulose mills, power stations, a chlorine plant, and the first Finnish artificial silk and cellophane factory.

During the first half of the current year industrial production was 75 per cent higher than in 1926, the increase having shown a fairly steady advance of about 7 per cent each year. Those industries which are devoted mainly to supplying the home market have not advanced at such a rapid rate as, for example, the wood-working industry, which is solely dependent on export trade. For the first six months of 1937 the production of industries other than wood-working has increased 71 per cent since 1926, while the latter has advanced 79 per cent. The increase in the latter has been due to a great extent to the improvement along technical lines.

#### NEW EXPORT RECORDS

New export records have been set up during 1937, and the outlook continues to be good. The paper industry has larger orders in hand than ever before, which in the cellulose industry amounted to more than 2,750,000 tons at the beginning of July, and almost 500,000 tons for the newsprint industry. Sales have already been made calling for delivery in 1940. In the sawn-timber industry conditions have not been so promising, and during the summer sales have been slow. However, by the middle of September sales amounted to 880,000 standards, and it is anticipated that the quota of 1,000,000 standards, fixed by international agreement, will be reached again this year.

In other lines of export the results have been satisfactory despite increased demand on the home market. For the first time since the depression set in, the exports of foodstuffs obtained from animal sources have shown signs of recovery, while other industrial export products have either maintained or improved their position.

#### FOREIGN TRADE

For the first eight months of 1937 both the value of imports and exports, as well as the volume of trade, have steadily advanced and new high records were established in both directions.

Imports during the January-to-August period registered a value of 5,842,000,000 marks (\$128,524,000), which is an increase of almost 2,000,000,000 marks (\$44,000,000) over the corresponding period of last year. For the first time since the depression, the value of imports exceeded the value of exports for the eight-month period. The adverse balance is mainly accounted for by a greater advance in the price of import commodities. Prices for the principal Finnish export products, namely paper and timber supplies, have not advanced in the same proportion owing to the fact that deliveries are made on long-term contracts.

Shipments of paper products have been made this year at the low prices prevailing in 1935 and 1936, and a considerable quantity of timber for 1937 delivery was sold before prices reached the prevailing high level. Despite the



disparity in the rise of the price of import and export products, nevertheless, the value of exports increased by more than 1,000,000,000 marks (\$22,000,000) as against the corresponding period in 1936. The value for the period under review totalled 5,612,000,000 marks (\$123,464,000).

In percentages, imports have increased by 33 per cent over the 1936 period, of which it is estimated that 20 per cent is accounted for by higher prices. Exports registered a gain of 22·7 per cent during the same periods.

The value of both imports and exports during the current year considerably exceeded the corresponding figures of 1929, the previous record year, as will be seen from the following table:—

*Foreign Trade of Finland, January to August, 1929 to 1937*

Year	Imports Figures in Million	Exports Figures in Million	Balance of Trade Marks
1929 . . . . .	4,614	3,935	— 679
1933 . . . . .	2,389	3,217	+ 828
1934 . . . . .	3,014	3,677	+ 663
1935 . . . . .	3,347	3,811	+ 464
1936 . . . . .	3,915	4,452	+ 537
1937 . . . . .	5,842	5,612	— 230

For the first time in a number of years, Finland has an unfavourable balance of trade, but there are strong possibilities that the import surplus may be overcome during the remainder of the year.

### IMPORTS

In the following table the value of imports under the principal headings during the January-to-August period of 1936 and 1937 is recorded:—

	Jan.-Aug., 1937 Million Marks	Jan.-Aug., 1936 Million Marks
Total imports . . . . .	4,841.57	3,914.52
Food obtained from animals . . . . .	17.47	12.49
Rye . . . . .	109.58	56.94
Wheat . . . . .	116.40	94.78
Maize . . . . .	69.12	67.82
Rice . . . . .	18.47	13.73
Wheat flour . . . . .	48.17	48.18
Fodder and seed . . . . .	125.53	135.23
Fruit, vegetables, etc. . . . .	97.41	76.05
Colonial produce . . . . .	336.65	324.23
Beverages . . . . .	36.32	33.38
Spinning materials . . . . .	323.51	229.59
Yarns and ropes . . . . .	150.81	100.11
Cloth . . . . .	281.68	182.86
Other textiles . . . . .	118.19	88.05
Hides and skins, leather, etc. . . . .	170.86	102.05
Metals and metal goods . . . . .	1,080.52	648.04
Machinery and apparatus . . . . .	596.83	333.85
Automobiles . . . . .	114.45	54.24
Chassis . . . . .	131.48	80.02
Minerals . . . . .	472.12	260.94
Tires . . . . .	23.13	16.04
Oils . . . . .	319.91	231.73
Colours and dyes . . . . .	71.64	53.84
Chemicals and drugs . . . . .	194.73	135.51
Fertilizers . . . . .	87.03	56.34
Other commodities . . . . .	729.48	478.48

A study of the above table shows that, with the exception of fodder and seed, increases have been registered in practically all commodities. The decline in the fodder and seed item is attributed to the attempt on the part of the authorities to curtail imports of cattle food in order to improve domestic prices. The most noteworthy gains have been registered in the metal group, which increased from 648,000,000 marks (\$14,256,000) to 1,081,000,000 marks (\$23,782,000). A considerable proportion of the rise in value can be accounted for by higher prices. Imports of machinery increased from 338,000,000 marks

(\$7,436,000) to 596,000,000 marks (\$13,112,000), of which agricultural and electrical machinery made the greatest gains. Imports of automobiles advanced by more than 100 per cent.

The following table shows the value of the import trade of Finland according to countries of purchase for the January-to-August period of 1937, as well as the percentage purchased from each country for the same period in both 1936 and 1937:—

Countries of Purchase	January to August	
	1937	1936
	Million Marks	Per-centage
Europe:		
Belgium . . . . .	339.3	5.8
Denmark . . . . .	306.4	5.3
Estonia . . . . .	65.9	1.1
France . . . . .	137.9	2.4
Germany . . . . .	1,094.4	18.7
Great Britain . . . . .	1,269.1	21.7
Holland . . . . .	264.5	4.5
Italy . . . . .	58.1	1.0
Latvia . . . . .	14.2	0.2
Norway . . . . .	110.5	1.9
Poland and Danzig . . . . .	143.7	2.5
Russia . . . . .	71.3	1.2
Sweden . . . . .	717.7	12.3
Switzerland . . . . .	60.1	1.0
Spain . . . . .	10.8	0.2
Other European countries . . . . .	292.4	5.0
Total Europe . . . . .	4,956.3	84.8
Asia . . . . .	84.6	1.5
Africa . . . . .	11.5	0.2
United States . . . . .	475.4	8.1
Other States of North America . . . . .	39.8	0.7
South America . . . . .	264.7	4.5
Australia . . . . .	9.2	0.2
Grand total . . . . .	5,841.5	100.0

### EXPORTS

The notable advance in exports from Finland is mainly due to two industries namely timber and paper. Exports of each of these industries were valued at more than 2,300,000,000 marks (\$50,600,000) during the period under review. The increase in the exports of the paper industry over the corresponding period of 1936 amounted to 467,000,000 marks (\$10,274,000), while exports of timber products increased by 483,000,000 marks (\$10,626,000). In the case of paper products the increase is due for the most part to the greater volume of shipments, while in the latter case higher prices accounted for the advance in value.

Exports of foods obtained from animal sources, as well as certain industrial products, have been arrested to some extent owing to increased domestic demand. In the dairy industries exports have increased both in volume and value, and the outlook appears promising.

The following table shows the value of Finnish exports according to main headings for the January-to-August periods of 1936 and 1937:—

Exports	Jan.-Aug.,	Jan.-Aug.,
	1937	1936
	Million Marks	Million Marks
Total exports . . . . .	5,675.46	4,483.22
Bacon . . . . .	11.62	11.60
Butter . . . . .	195.91	175.49
Cheese . . . . .	62.88	51.21
Eggs . . . . .	74.51	67.16
Fish, fresh . . . . .	9.89	9.79
Hay . . . . .	0.55	0.50
Fruit, vegetables, etc. . . . .	2.54	3.21
Yarn, etc. . . . .	46.61	40.90
Textiles . . . . .	32.94	27.45
Poles . . . . .	15.88	14.82
Logs . . . . .	17.87	12.41
Pitprops . . . . .	194.63	116.47
Pulpwood . . . . .	211.76	120.20



*Exports of Finland—Concluded*

Exports	Jan.-Aug., 1937	Jan.-Aug., 1936
	Million Marks	Million Marks
Square timber .. . . .	29.60	14.67
Deals, unplanned .. . . .	124.76	90.64
Battens, unplanned .. . . .	522.08	432.94
Boards, unplanned .. . . .	592.69	490.23
Staves, unplanned .. . . .	8.26	6.56
Boxboards, unplanned .. . . .	98.15	89.59
Planed timber .. . . .	60.91	69.85
Plywood .. . . .	288.12	239.93
Bobbins .. . . .	30.92	33.18
Woodpulp .. . . .	175.34	145.30
Sulphite .. . . .	948.15	758.11
Sulphate .. . . .	366.90	290.66
Board, ordinary .. . . .	120.03	82.16
Newsprint .. . . .	388.10	330.82
Other paper .. . . .	277.14	207.74
Hides, raw .. . . .	57.76	49.06
Furs .. . . .	19.72	17.29
Machinery and appliances .. . . .	22.70	22.12
Minerals .. . . .	67.34	69.76
Asphalt, rubber and products thereof .. . . .	22.99	13.04
Other commodities .. . . .	576.21	378.36

A study of the above table reveals the fact that the character of Finland's foreign trade is gradually changing. As regards imports, the trend is towards increased imports of raw materials, semi-manufactured goods, machines, etc., while exports are shifting from raw materials to manufactured products. The industrialization of Finland is being reflected in her foreign trade.

## DIRECTION OF EXPORTS

The direction of Finland's exports is indicated in the following table, which shows the value for the January-to-August period of 1937, as well as the percentage for the same period of both 1936 and 1937:—

Countries of Purchase	January to August		
	1937	Per- centage	1936 Per- centage
Europe:	Million Marks		
Belgium .. . . .	246.5	4.4	4.9
Denmark .. . . .	155.3	2.8	3.4
Estonia .. . . .	54.3	1.0	0.5
France .. . . .	275.6	4.9	4.3
Germany .. . . .	665.9	11.9	10.6
Great Britain .. . . .	2,465.3	43.9	47.4
Holland .. . . .	222.1	4.0	2.6
Italy .. . . .	80.9	1.4	0.9
Latvia .. . . .	12.2	0.2	0.2
Norway .. . . .	124.6	2.2	1.2
Poland and Danzig .. . . .	12.9	0.2	0.1
Russia .. . . .	31.2	0.6	0.6
Sweden .. . . .	302.9	5.4	5.3
Switzerland .. . . .	13.0	0.2	0.2
Spain .. . . .	2.0	0.0	0.3
Other European countries .. . . .	99.3	1.8	2.0
Total Europe .. . . .	4,764.0	84.9	84.5
Asia .. . . .	112.3	2.0	1.8
Africa .. . . .	126.4	2.2	1.9
United States .. . . .	487.8	8.7	9.9
Other States of North America .. . . .	4.5	0.1	0.1
South America .. . . .	101.8	1.8	1.6
Australia .. . . .	15.3	0.3	0.2
Grand total .. . . .	5,612.1	100.0	100.0

It will be noted that the United Kingdom is by far the most important customer, taking almost 44 per cent of the total exports. Germany follows with practically 12 per cent, and the United States is Finland's third best customer. Of the remaining 35 per cent, Belgium, France, Holland, and Sweden account for another 18 per cent.

CANADA'S DOMESTIC EXPORTS TO THE UNITED STATES OF PRINCIPAL COMMODITIES AFFECTED BY THE CANADA-UNITED STATES TRADE AGREEMENT  
EFFECTIVE FROM JANUARY 1, 1936; ALSO UNITED STATES TARIFF RATES IN FORCE, MONTH OF OCTOBER AND THE TEN MONTHS ENDED  
OCTOBER 31, 1936 AND 1937  
(COMPILED BY THE EXTERNAL TRADE BRANCH, DOMINION BUREAU OF STATISTICS; AND THE FOREIGN TARIFFS DIVISION)

Commodities	Month of October				Ten Months ended October				United States Tariff	
	1936		1937		1936		1937		1935	Canada-United States Trade Agreement (Jan. 1, 1936)
	Quantity	Value \$	Quantity	Value \$	Quantity	Value \$	Quantity	Value \$		
AGRICULTURAL AND VEGETABLE PRODUCTS										
Fruits—										
Apples, green or ripe.....	2,300	11,096	885	3,749	4,705	17,771	3,171	10,672	25c. per bu. 50 lbs.	15c. per bu. 50 lbs.
Strawberries, fresh.....					690,268	57,662	1,398,912	94,248	1c. per lb.	2c. per lb.
Grain products—										
Bran, shorts and middlings.....	465,768	542,624	740	1,367	2,765,886	2,749,968	1,452,430	2,167,888	10% ad val.	10% ad val.
Cereal foods, prepared, all kinds.....	185,700	124,886	102,062	39,209	855,019	235,170	713,349	504,768	10% ad val.	10% ad val.
Screenings.....	11,147	78,889	1,435	9,828	35,806	236,713	134,927	910,081	\$5 per ton (2,000 lbs.)	\$3 per ton (2,000 lbs.)
Hay.....	320,313	36,638	365,120	57,860	6,314,200	995,154	3,309,772	483,173	6c. per lb.	4c. per lb.
Seeds—										
Clover seed, alfalfa.....	3,291	32,370	13,889	215,869	4,451	44,298	40,697	578,533	8c. per lb.	4c. per lb.
Clover seed, alsike.....	7,604	70,951	806	11,299	15,548	142,632	17,860	188,458	8c. per lb.	4c. per lb.
Grass seed.....	13,941	26,313	4,822	8,794	82,261	102,086	44,206	108,423	2c. per lb.	1c. per lb. (mainly timothy).
Vegetables—										
Certified seed potatoes (a).....	58,571	84,314	52,616	30,005			394,963	393,515	75c. per 100 lbs.	45c. per 100 lbs., Mar. 1 to Nov. 30, if certified seed;
										60c. per 100 lbs., Dec. 1 to last day of Feb., if certified seed;
										75c. per 100 lbs. on imports of certified seed in excess of 750,000 bu. during each twelve-month period, beginning Dec. 1, in any year.
Potatoes, n.o.p. (b).....	6,376	4,256	18,093	12,039			343,696	249,148	75c. per 100 lbs.	75c. per 100 lbs.
Turnips.....	522,940	131,846	358,393	120,744	1,972,648	584,830	1,643,256	536,765	25c. per 100 lbs.	12c. per 100 lbs.
Whiskey.....	577,758	2,319,821	653,431	2,639,478	3,484,911	15,921,150	4,114,371	15,818,703	\$5 per pf. gal.	\$2.50 per pf. gal. if aged in wooden containers for at least four years; \$5 per pf. gal. if otherwise.
ANIMALS AND ANIMAL PRODUCTS										
Animals, living—										
Dairy cattle, n.o.p.—										
Weighing 175 to 700 lbs. (a).....	81	1,894	6	410	6,669	396,580	121	4,764	24c. per lb., 175 to 700 lbs.	24c. per lb., 175 to 700 lbs.
Weighing over 700 lbs. (a).....	412	21,865	458	29,803			5,133	323,913	3c. per lb., if over 700 lbs.	3c. per lb., if over 700 lbs.
										on imports in excess of 20,000 head during any calendar year.



Cattle, n.o.p.— Weighing less than 175 lbs. (a).....No.	661	6,820	4,102	68,710	93,611	1,389,598 2½c. per lb., if less than 175 lbs. 2½c. per lb. if less than 175 lbs. on imports in excess of 51,933 head during any calendar year.
Weighting 175 to 700 lbs. (a).....No.	7,520	201,585	9,312	212,643	23,413	583,428 2½c. per lb., if 175 to 700 lbs. 2½c. per lb. if over 700 lbs.
Weighting over 700 lbs. (a).....No.	2,960	96,362	12,416	882,870	161,504	10,882,894 3c. per lb., if over 700 lbs. 3c. per lb. if over 700 lbs., on imports in excess of 155,799 head during any calendar year.
Horses, n.o.p. ....No.	599	81,816	379	44,241	9,547	1,225,807 \$20 per head, if valued at not more than \$150; 20% ad val., if valued more than \$150.
Poultry, n.o.p. ....No.	48,247	27,159	244,596	177,863	949,464	585,452 8c. per lb., if chickens, ducks, geese, turkeys, and guineas. Free.
Fish, fresh and frozen—						
Clams, fresh.....Cwt.	572	809	467	414	42,048	51,692 Free.....
Eels, fresh and frozen.....Cwt.	1,198	8,096	1,702	13,613	21,982	21,982 1c. per lb.....
Halibut, fresh and frozen.....Cwt.	3,359	33,714	3,632	38,308	44,582	430,180 2c. per lb.....
Herring, sea, fresh and frozen.....Cwt.	65,331	44,606	13,212	10,238	178,309	438,170 Free.....
Salmon or lake trout, fresh and frozen.....Cwt.	9,406	90,250	10,267	105,381	42,368	402,270 1c. per lb.....
LoBSTERS, fresh.....Cwt.	2,673	97,696	2,634	56,347	103,044	2,245 1/2 Free.....
OYSTERS, fresh.....Cwt.	54	326	32	364	214	1,733 Free.....
Salmon, fresh and frozen.....Cwt.	13,492	44,425	12,622	78,730	56,319	494,238 2c. per lb.....
Smelts, fresh and frozen.....Cwt.	2,274	23,752	1,493	66,615	40,797	360,490 Free.....
Swordfish, fresh and frozen.....Cwt.	964	13,010	248	3,594	14,910	203,245 2c. per lb.....
Tulibee, fresh and frozen.....Cwt.	172	1,151	32	264	4,447	32,498 1c. per lb.....
Whitefish, fresh and frozen.....Cwt.	6,680	106,743	8,593	130,997	111,427	1,310,938 1c. per lb.....
Fish, pickled, salted, and smoked—						
Alewives, salted.....Cwt.	20	4,695	1,714	6,348	15	44 1½c. per lb., net weight. 1½c. lb., if boned.
Herring, sea, smoked.....Cwt.	781	657	2	17	6,312	1½c. per lb., not boned. 20% ad val.
Salmon, pickled.....Cwt.	64	657	2	151	6	200 28% ad val., if razor clams; 35% ad val., if other kinds.
Fish, canned—						
Clams, canned.....Cwt.	3	3	.....	.....	28	283,082 Free.....
Lobsters, canned.....Cwt.	490	31,837	883	54,385	4,794	596,245 Free.....
Fur skins, undressed—						
Beaver.....No.	746	10,951	556	10,072	38,855	914,594 Free.....
Mink.....No.	222	305	846	1,134,885	62,313	283,778 Free.....
Muskat.....No.	3,838	6,094	599	300,799	198,313	405,087 Free.....
Wolf.....No.	404	3,398	10	42,152	32,363	2,519 12½% ad val. 51,299 15% ad val.
Leather—						
Harness leather.....	.....	1,540	.....	664	.....	10% ad val.
Patent leather.....	.....	4,945	.....	649	.....	10% ad val.

(a) Not separately shown prior to April 1, 1936.

(b) Includes "certified seed potatoes" prior to April 1, 1936.

## CANADA'S DOMESTIC EXPORTS TO THE UNITED STATES OF PRINCIPAL COMMODITIES, Etc.—Concluded

Commodities	Month of October				Ten Months ended October				United States Tariff	
	1936		1937		1936		1937		1935	Canada-United States Trade Agreement (Jan. 1, 1936)
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value		
<b>Meats—</b>		\$		\$		\$		\$		
Poultry, dressed or undressed.....Lb.			8,622	1,696	172,988	43,581	31,980	6,342	10c per lb.	6c. per lb., if chickens and guineas; 10c. per lb., if other poultry.
<b>Milk products—</b>										
Cheese.....Cwt.	11,095	160,096	7,403	112,873	108,635	1,484,386	44,292	673,481	7c. per lb., but not less than 25% ad val., if cheddar cheese in original loaves; 7c. per lb., but not less than 35% ad val., if other kinds of cheese.	5c. per lb., but not less than 25% ad val., if cheddar cheese in original loaves; 7c. per lb., but not less than 35% ad val., if other kinds of cheese.
Cream.....Gal.	7,280	10,410	12,810	22,718	19,310	26,879	93,706	162,990	56-6/10c. per gal.	35c. per gal.
Whale oil.....Gal.	35,735	8,758			545,403	127,512	530,644	148,468	5c. per gal.	2½c. per gal.
<b>WOOD, WOOD PRODUCTS AND PAPER</b>										
Shingle bolts of pine or cedar.....Cord	20	60	127	1,979	116	455	669	3,868	Free.	Free.
Stave and other bolts, n.o.p.....Cord								705	10% ad val.	10% ad val.
Firewood.....Cord	8,768	37,106	8,314	45,205	50,104	228,205	48,928	252,904	Free.	Free.
Laths.....M	32,241	117,540	23,466	102,637	218,478	732,534	213,410	882,769	Free.	Free.
Logs.....M ft.	8,869	88,125	14,333	168,359	58,896	608,629	90,000	1,139,902	Free.	Free.
Masts and spars.....M ft.							20	414	\$1 per M ft. b.m., if fir; 50c. per M ft. b.m., if spruce, pine, hemlock or larch; free, if other kinds.	50c. per M ft. b.m., if fir; spruce, pine, hemlock or larch; free, if other kinds.
Pickets.....M	1,424	12,503	5,542	37,338	7,066	50,649	30,315	221,940	Free.	Free.
Piling.....Lin. ft.	60,198	3,239	110,246	5,490	453,935	30,261	582,806	43,936	\$1 per M ft. b.m., if fir; 50c. per M ft. b.m., if spruce, pine, hemlock or larch; free, if other kinds.	50c. per M ft. b.m., if fir; spruce, pine, hemlock or larch; free, if other kinds.
Planks and boards—										
Flooring of hardwood.....M ft.	74	3,776	75	5,230	455	22,719	1,490	94,566	8% ad val.	4% ad val.
Planks and boards, softwood.....M ft.	39,285	1,025,645	40,805	1,128,010	413,255	9,406,795	427,401	11,785,915	\$1 per M ft. b.m. and 50c. per M ft. b.m. Revenue Tax if fir, spruce, pine, hemlock or larch; (a) free, if other kinds of wood, but subject to \$3 Revenue Tax per M ft. b.m.	\$1.50 per M ft. b.m. Revenue Tax if fir, spruce, pine, hemlock or larch; (a) free, if other kinds of wood, but subject to \$1.50 Revenue Tax per M ft. b.m.
Planks and boards, hardwood, n.o.p...M ft.	5,225	193,809	5,195	210,302	31,262	1,103,997	46,000	1,884,306	Free, but subject to \$3 per M ft. b.m. Revenue Tax.	Free, but subject to \$1.50 per M ft. b.m. Revenue Tax.
<b>Poles—</b>										
Telegraph and telephone.....No.	30,370	87,433	43,099	153,303	209,969	587,878	355,380	1,082,811	Free.	Free.
Other poles.....No.		28,675				90,814		24,246	Free.	Free.
Poles, fence.....No.	27,263	2,038	39,535	3,625	415,868	37,839	705,534	60,153	Free.	Free.
Pulpwood.....Cord	131,394	1,007,903	141,089	1,122,428	922,903	6,841,859	1,237,285	9,572,316	Free.	Free.
Railroad ties.....No.	31,583	38,082	40,954	215,505	183,218	266,750	1,981,977	198,197	Free.	Free.
Shingles.....Square	251,793	616,542	234,984	657,165	1,883,399	4,775,963	1,965,013	5,582,939	Free.	Free.
Staves and headings.....	18			1,481		12,212		72,205	Free, if staves; 33½% ad val. if headings.	33½% ad val. if staves; 33½% ad val. if headings.



Timber, square, softwood.....M ft.	93	2,337	58	1,379	4,527	69,926	1,443	36,093 \$1 per M ft. b.m., if fir; 50c. per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.
Timber, square, hardwood.....M ft.	9	354	3	77	13	519	18	548 Free.
Wood pulp.....Cwt.	1,100,323	2,266,483	1,127,818	2,726,839	10,635,566	21,820,419	12,177,605	28,378,898 Free.
Paper—Newsprint.....Cwt.	4,388,108	7,707,622	5,234,882	9,613,163	38,514,220	66,900,820	47,262,555	58,203,002 Free.
<b>IRON AND ITS PRODUCTS</b>								
Farm implements—								
Cultivators.....No.	2	30	17	260	1,306	103,899	397	16,877 Free.
Drills.....No.	18	2,079	5	611	468	50,236	715	86,993 Free.
Harrows and parts.....No.	5	2,555	1	17,355	728	50,228	1,722	131,925 Free.
Harvesters and binders.....No.	1	696	1	15	728	141,237	169	304,351 Free.
Hay rakes.....No.	1	25	1	139	139	6,204	216	6,106 Free.
Mowers and reapers.....No.	1	51,391	79,885	29,969	515	29,969	413	12,332 Free.
Ploughs and parts.....No.	1	1,444	67,565	165	406,110	339,329	413	639,329 Free.
Reaper threshers.....No.	1	12,432	57,565	165	406,110	339,329	413	639,329 Free.
Parts of farm implements, n.o.p.....Ton	63	1,293	1,434	28,078	3,372	69,576	12,426	339,329 Free.
Ferro-silicon.....Ton								276,935 2c. per lb. on silicon content.
Ferro-manganese and other ferro-alloys, n.o.p.....Ton	5,299	140,543	368	23,750	37,829	955,926	21,516	997,263 11c. per lb. on manganese content.
Skates.....Pair	8,557	7,947	1,502	3,890	186,895	117,921	66,476	52,892 20% ad val.
<b>NON-FERROUS METALS AND PRODUCTS</b>								
Cobalt in ore.....Cwt.	122	6,848			1,155	66,518	526	33,835 Free.
Nickel in matte or speiss.....Cwt.	12,898	231,626	11,961	215,298	105,334	1,895,877	124,743	2,244,708 Free.
Nickel in oxide.....Cwt.	1,004	19,207	149	3,666	15,702	315,612	16,074	322,029 Free.
<b>NON-METALLIC MINERALS AND PRODUCTS</b>								
Abrasives, artificial, crude.....Cwt.	163,240	469,638	157,598	382,729	1,233,059	3,253,177	1,709,533	4,525,620 Free.
Asbestos.....Ton	8,627	445,425	9,311	503,381	62,232	3,257,684	80,273	4,377,423 Free.
Asbestos sand and waste.....Ton	19,998	324,230	15,070	250,775	116,931	1,879,574	154,072	2,555,947 Free.
Feldspar.....Ton	1,921	12,498	2,403	68,565	10,121	68,565	19,067	145,237 50c. per ton, if crude.
Gypsum, crude.....Ton	72,610	85,310	102,703	122,069	331,554	444,877	598,504	691,988 Free.
Lime.....Cwt.	26,371	11,902	7,079	2,996	198,067	84,064	157,363	66,954 Various.
Talc.....Cwt.	15,971	8,004	14,989	7,787	146,940	73,232	125,161	62,629 35% ad val.
<b>CHEMICALS AND ALLIED PRODUCTS</b>								
Acetic acid.....Cwt.	30,021	160,567	16,855	90,190	248,568	1,835,767	302,258	1,619,613 2c. per lb., if over 65%.
Cobalt oxides and cobalt salts.....Lb.							97,320	130,072 20c. per lb. if oxides; 30c. per lb. if salts.
Cyanamid.....Cwt.	180,755	186,530	145,106	152,660	1,976,243	2,030,833	2,352,539	2,567,154 Free.
Sulphuric acid.....Cwt.	2,045	1,578	2,067	1,494	16,337	11,846	27,640	17,327 Free.
<b>MISCELLANEOUS COMMODITIES</b>								
Organs.....No.	1	7,620			5	15,293	8	16,261 35% ad val.
Total exports of above commodities.....		20,029,164		23,181,142		173,771,830		216,819,802
Total domestic exports to United States.....		44,582,810		40,970,302		320,455,806		400,212,676

(a) Reduced rates not applicable to imports of Douglas fir or Western hemlock in any calendar year in excess of an aggregate quantity of 250,000,000 feet, board measure.

## MARKET FOR LEAF TOBACCO IN THE EASTERN GROUP OF THE BRITISH WEST INDIES AND BRITISH GUIANA

G. A. NEWMAN, ASSISTANT TRADE COMMISSIONER

Port of Spain, Trinidad, October 7, 1937.—Total imports of tobacco into the Eastern Group of the British West Indies and British Guiana in 1935 (the latest period for which complete statistical data for all the islands are available) consisted of 1,318,617 pounds of unmanufactured tobacco, 118,431 pounds of cigarettes, and 97,622 pounds of other kinds of manufactured tobacco, including cigars and snuff.

Approximately 80 per cent of the unmanufactured tobacco was obtained from the United States and only 3·8 per cent from Canada, while almost all the cigarettes and other manufactured tobaccos were imported from the United Kingdom, being classed, usually, for customs purposes, as products manufactured in the British Empire from foreign tobacco.

The distribution of the tobacco among the island markets in 1935 is indicated in the following table:—

### *Tobacco Imported in 1935 into the Eastern Group of the British West Indies*

Market	Unmanufactured	Cigarettes	All Other
	Tobacco Lbs.		Manufactured Tobacco Lbs.
Trinidad . . . . .	686,477	14,860	3,556
British Guiana . . . . .	373,817	5,844	1,134
Barbados . . . . .	117,336	15,012	15,816
Leeward Islands . . . . .	54,293	48,654	1,669
Grenada . . . . .	38,444	10,519	6,271
St. Lucia . . . . .	29,286	8,191	9,039
St. Vincent . . . . .	18,965	15,351	137
Total . . . . .	1,318,618	118,431	97,622

### TRINIDAD

In considering the three major markets of Trinidad, Barbados, and British Guiana in further detail, Trinidad import returns of unmanufactured tobacco leaf averaged about 640,331 pounds per annum for the five-year period 1931-35. The consumption of imported tobacco leaf (containing less than 25 per cent moisture in every 100 pounds weight) has not increased to any marked degree during recent years.

The United States is the chief source of supply with 521,549 pounds (\$144,690) in 1936 out of a total of 654,773 pounds (\$166,622), followed by the British East Indies with 91,999 pounds (\$13,015) and South Africa with 30,817 pounds (\$5,216).

From 1932 to 1936 imports of cigarettes increased moderately from 12,689 pounds to 15,780 pounds.

### BARBADOS

A comparison of the average imports of unmanufactured leaf tobacco into Barbados over the five-year period of 1931-35, amounting to about 117,211 pounds per annum, with the yearly imports of 1935-36 suggests that there has been little or no increase in the consumption of unmanufactured tobacco in recent years. On the other hand, imports of cigarettes from 1931 to 1935 increased from 7,553 pounds to 14,462 pounds.

Imports of unmanufactured leaf (unstemmed) in 1936 totalled 116,886 pounds (£6,818), principally from the United States (76,274 pounds valued at £4,449) and India (26,331 pounds valued at £1,536). Canada is credited with 5,899 pounds valued at £343.



## BRITISH GUIANA

The average imports of leaf tobacco into British Guiana for the five-year period 1931-35 amounted to 291,198 pounds per annum. During this period there was a steady increase from year to year. Imports of unmanufactured tobacco leaf with a moisture content of less than 25 per cent in every 100 pounds weight totalled 191,150 pounds in 1936; and of leaf with a moisture content of 25 to 38 per cent, 220,859 pounds.

## ORGANIZATION OF TRADE

The British American Tobacco Company is affiliated with local companies organized in Trinidad, Barbados, and British Guiana for the manufacture of cigarettes and other tobacco products. Since the tobacco produced within the British West Indies is of a cigar variety and is not suitable for the Virginia type of cigarettes, these manufacturing plants are dependent on supplies imported mainly from the United States and lesser quantities from Rhodesia, British India, and other sources. Canadian tobacco has been sampled on frequent occasions but is not considered as suitable for the companies' requirements as that from other sources of supply. Imports of tobacco for the purpose of manufacturing cigarettes are shown in the Trinidad and British Guiana statistics as tobacco of less than 25 per cent moisture, there being no separate classification for Barbados.

## TARIFFS

The increase in leaf tobacco imports into British Guiana at the expense of cigarette imports, the increase of cigarette imports into Barbados and the stationary position of leaf tobacco imports, and the unvaried flow of imports of both cigarettes and unmanufactured tobacco into Trinidad can be attributed in a large measure to the influence of the tariffs of these respective markets. The recent establishment of a tobacco manufacturing plant in British Guiana is, of course, directly responsible for the increase in imports of leaf tobacco into that market.

(The rates of tariff on tobacco and cigarettes in the British West Indies and British Guiana may be obtained on application to the Department of Trade and Commerce, Ottawa.)

## PROSPECTS FOR CANADIAN TRADE IN LEAF TOBACCO

With the market for Canadian leaf tobacco suitable for the cigarette trade curtailed by the buying policies of the local affiliates of the British American Tobacco Company, the only remaining possibility for Canadian shippers is in the sale of black leaf tobacco. This is a black leaf of pleasing aroma, 20 to 22 inches in length, packed in casks and tierces of 600-800-1,000 pounds and boxes of 100 pounds, and is used by the natives for the making of pipe tobacco and snuff. Prices for the United States product, which is well known in the British West Indies, is reported to be about 10 to 13 cents per pound f.o.b. New York.

Very little of this type of tobacco is imported into Trinidad or Barbados, but within the past year there has been a fair increase in sales in British Guiana and some of the smaller island markets. Encouraging reports from British Guiana and the smaller islands state that the comparatively new Canadian product is proving satisfactory both in price and quality, in comparison to the established United States product, and it is considered therefore that a further increase in Canadian sales may be expected.

## MARKET FOR CANNED FRUITS AND VEGETABLES IN NEW ZEALAND

W. F. BULL, CANADIAN TRADE COMMISSIONER

(One New Zealand pound equals approximately \$4 Canadian)

Auckland, October 1, 1937.—Prior to 1924 the entire New Zealand market for canned fruits and vegetables was supplied from the United States and Canada. In that year the first local canning factory was established, and the industry has steadily grown until there are now nine firms engaged in canning New Zealand peaches, pears, asparagus, peas, tomato products, and soups. The quality of the fruit may be inferior to the Canadian, Australian, and South African packs; but the vegetables, soups, and tomato products are of excellent quality and are obtaining an increasing share of the trade.

### IMPORTS

Imports of canned fruits into New Zealand have increased steadily in the past few years. For the first six months of 1937 they were valued at £64,942, which was more than half of the total for the whole of 1936 amounting to £113,712. In 1935 imports were valued at £104,445 as against £72,336 in 1934.

Fresh vegetables are available throughout the year at reasonable prices, and accordingly there is only a small demand for canned vegetables, with the exception of pork and beans, green peas, asparagus, soups, and tomato products.

Detailed statistics covering imports in 1936 are not yet available, but those for 1935 indicate the volume of business done and the chief sources of supply. Pork and beans, asparagus, canned soup, and tomato products are not separately listed in the import statistics; they are grouped under the general heading of provisions.

### CANNED FRUITS

*Apricots.*—Australian packers enjoy the bulk of the canned apricot market in New Zealand, supplying in 1935 to the value of £18,790 out of total imports valued at £19,111. The United States' share was £222 and Canada's £99. Prices ruling for the present season for Australian apricots are approximately \$2.23 and \$2.11 per dozen 2½-pound tins for standard and seconds respectively delivered into store in New Zealand.

Local apricots are sold in fair quantities to wholesalers at the equivalent of \$2.45 per dozen 30-ounce tins. There is also a large importation of South African and Australian dried apricots.

*Peaches.*—Imports of canned peaches into New Zealand in 1935 were valued at £29,093: Australia, £28,004; Canada, £660; and the United States, £429. Australian peaches are delivered to the wholesaler in New Zealand at approximately \$2.18 and \$2.07 per dozen 2½-pound tins for standard and second-grade fruit respectively as against \$2.10 for local peaches.

*Pears.*—Canned pears have never been an important import item in New Zealand (£849 in 1935), as fresh and cold storage local pears are available during the greater part of the year. Australia is the largest supplier (£605 in 1935), followed by Canada (£200) and the United States (£44). Australian pears are delivered to the wholesaler in New Zealand at approximately \$2.30 per dozen 2½-pound tins as against \$2.18 per dozen 30-ounce tins of local pears.

New Zealand canned pears are much smaller than the Canadian or Australian products and have a local consumer appeal.

*Other Canned Fruits.*—This heading covers raspberries, loganberries, cherries, strawberries, and fruit salads. The importation of these products, valued at £6,737 in 1935, is increasing in spite of local competition. Australia's share in that year was £5,320, Canada's £569, and the United States' £372.

*Jams, Jellies, etc.*—Products under this heading come mostly from the United Kingdom, which supplied to a value of £2,831 out of a total value for imports of £3,987 in 1935. Australia is credited with £719 and Canada with £247. All the well-known brands are available in New Zealand. Fair progress has been made recently with Canadian marmalade, jam,



and jelly in jars; in canned form they are not popular. The local industry supplies the bulk of the requirements, using domestic fruit and such products as Canadian strawberries preserved in SO<sub>2</sub>, Italian cherries in brine, and frozen loganberries.

#### CANNED VEGETABLES

*Green Peas.*—Canada at one time was the largest supplier of green peas to the New Zealand market but, due to more favourable tariff treatment and to the premium on Canadian currency, Australia has largely displaced Canada as a source of supply. In 1935, out of total imports valued at £2,821, Australia is credited with £1,679 and Canada with £1,059.

Australian peas (first quality) are sold to wholesalers here at the equivalent of 85 cents per dozen 10-ounce tins (the most popular size) delivered into store. Last season's crop of local peas sold at \$1.09 per dozen 11-ounce tins to wholesalers. The quality of the New Zealand peas is superior to the Australian pack and equal to the Canadian.

A new local canner came on the market last season and sold over 4,000 cases of 2-dozen 11-ounce tins. If local canneries are able to maintain price and quality, this market will be more or less closed to Canadian and Australian peas.

*Pork and Beans and Corn.*—Canada is the largest shipper of canned corn and pork and beans to New Zealand. While there is some competition in corn from the United States, Canadian corn is sold at a better price.

Large quantities of pork and beans are consumed in New Zealand. Imports from Canada are estimated at between 7,000 and 10,000 cases per annum. Production of local pork and beans is increasing and, although more expensive than the Canadian (78 cents per dozen 8-ounce tins to wholesalers), the quality is considered by buyers to be superior.

*Asparagus.*—Asparagus in its natural form is offered by Canadian packers but has not been well received owing to the popularity of the "bleached" product. Canadian sales will, however, undoubtedly benefit by the sales efforts of a local packer who is now offering a good-quality natural asparagus.

*Soups.*—Canned soup has a limited sale, and local canners obtain most of the business. More than 95 per cent of all soup sold is tomato; the domestic product is sold to the wholesaler at the equivalent of \$1.11 per dozen 10½-ounce tins and \$1.78 per dozen 22-ounce tins—considerably higher than Canadian soups. New Zealand soup is stated to be more concentrated than imported soups, and the quality compares favourably with Canadian and United States products.

*Tomatoes and Tomato Juice.*—Several local firms are now canning tomatoes and tomato juice. Canadian products enjoyed the bulk of the business early last season, but an increase in price of 10 cents per dozen put them out of line. New prices quoted for immediate sale are more attractive, and it is expected they will get a larger share of the business during the coming season. New Zealand tomatoes have been selling at the equivalent of \$1.67 per dozen 28-ounce tins to the wholesaler. Tomato juice has not sold in any quantity, although there are several brands on the market at 87 cents per dozen 11-ounce tins to the wholesaler.

#### CUSTOMS DUTIES

Fruits preserved in juice or syrup are subject to a British preferential rate of duty of 25 per cent ad valorem and a general rate of 50 per cent. Under the Australian agreement, fruit from that country is dutiable at 35 per cent ad valorem. Fruit from Canada and foreign countries is subject to a surtax of nine-fortieths of the duty, making an effective rate of 33·687 per cent.

Fresh, dried, and preserved vegetables are dutiable at 20 and 45 per cent ad valorem under the British preferential and general tariffs respectively. Canadian peas are dutiable at 20 per cent ad valorem or 1½d. per pound, whichever rate returns the higher duty, and in addition Canadian and foreign vegetables and peas are subject to a surtax of nine-fortieths of the duty, making the effective rate of 26·95 per cent on Canadian vegetables.

#### FUTURE PROSPECTS

With the development of the local canning industry and competition from Australia, the sale of Canadian fruit is not likely to increase. Domestic production last season was valued at nearly \$1,500,000 and, with adequate tariff pro-

tection and prosperous conditions, this total should increase. Australian packers have an advantage in lower freight charges and an equal exchange. There should be an expanding market for Canadian canned vegetables such as asparagus, pork and beans, tomato juice, and canned soups other than tomato soup. Local agents and wholesalers hesitate to advertise new lines from abroad, but local canners advertise extensively, and the entire industry should benefit from it.

This office has received inquiries from several brokers for Canadian canned fruits, vegetables, soups, and tomato juice. Interested Canadian firms should communicate direct with the Canadian Trade Commissioner, P.O. Box 33, Auckland, New Zealand.

## TRADE AND ECONOMIC CONDITIONS IN BRUNEI, 1936

K. F. NOBLE, ACTING TRADE COMMISSIONER

(Values given are in Straits currency, of which S\$1 equals 58 cents Canadian approximately)

Singapore, October 6, 1937.—The State of Brunei, comprising an area of some 2,500 square miles on the northwest coast of Brunei, has its external affairs administered through a British Resident on instructions from the High Commissioner for the Malay States. The population is estimated at 34,016, including 28,906 Malays and 4,100 Chinese. The European population is represented by 69 whites and 40 Eurasians.

### FINANCE

The state finances are on a sound basis with a yearly surplus of income over expenditure. The public debt, consisting of a loan by the Government of the Federated Malay States, was \$378,200 in 1934, but was completely extinguished in January, 1936. Total revenues amounting to \$929,000, or \$71,000 more than the original estimates, showed a surplus of \$149,000 for the year. Increased by this sum the surplus of assets amounted to \$541,254 at the close of the year.

### PRODUCTION AND INDUSTRIES

Production of oil is the principal industry of Brunei, making up 71 per cent of the total value of exports and 46 per cent of the state's revenues. Exports for the year amounted to 451,621 tons, or a slight increase over the 447,275 tons exported during 1935. Crude rubber, making up about 19 per cent of the total export trade, is the most important of the agricultural products, with total exports for the year amounting to 1,325 tons valued at \$790,703 as against 1,343 tons valued at \$576,159 in 1935. The increase in the value of production from the 14,300 acres of rubber plantation in the state represents about the full value of the increase in total exports.

Agriculture and fishing are the principal industries of the natives. Rice production does not meet the domestic requirements for consumption and a substantial importation via Singapore is required.

Miscellaneous industries include sago production, hardwood cutting, jelutong, and native silverware.

### TRADE

The total trade of Brunei during 1936 was \$6,017,327 (\$5,703,558 in 1935), consisting of imports valued at \$1,869,994 (\$1,994,059) and exports valued at \$4,143,335 (\$3,709,449). Principal articles of importation were: miscellaneous manufactured goods, \$802,000 (\$649,000); rice, \$172,000 (\$187,000); provisions, \$124,000 (\$116,000); machinery, \$109,000 (\$394,000); tobacco, \$946,000 (\$92,000); and petroleum, \$93,000 (\$82,000).



Principal exports were crude oil valued at \$2,975,000 (\$2,785,000); plantation rubber, \$790,000 (\$576,000); and cutch, \$173,000 (\$177,000).

Imported goods are consigned via Singapore and in practice are obtained from stocks carried in this city. Items which are of interest to Canada include milk products in tins, \$29,608 (\$26,914); provisions, \$123,609 (\$116,199); flour, \$24,183 (\$20,852); and motor vehicles, \$41,728 (\$37,998).

## UNITED STATES HAY MARKET

R. G. C. SMITH, ASSISTANT TRADE COMMISSIONER

New York, November 5, 1937.—With the supply of feed grains well above the average and the hay production about 10 per cent over the 1931-35 average and about equal to the 1925-29 average, the prospects for imported hay for the 1937-38 season are not encouraging. Actually, the supply of feed grains per consuming animal is the largest since 1932, while the hay supply per animal is also over average, though slightly under the heavy supply per animal of 1935.

The following table compares the total tame and wild hay production by calendar years with the imports for the following agricultural year (for example, calendar year 1935 is compared with agricultural year ending June 30, 1936), together with annual corn production expressed as a percentage of the 1931-35 average of 2,334,400,000 bushels, and with the production of hay per consuming animal (using the number of cattle, dairy cattle, horses, and mules at January 1 of each year following the production figures):—

	Production Figures in	Imports 1,000 Short Tons <sup>1</sup>	Corn Production Per Cent of Average	Hay per Consuming Animal Pounds
1925-29 . . . . .	84,826	103	113	2,142
1931 . . . . .	74,723	9	110	1,970
1932 . . . . .	83,747	2	126	1,910
1933 . . . . .	74,942	88	103	1,640
1934 . . . . .	59,995	5	63	1,410
1935 . . . . .	89,526	5	99	2,120
1931-35 . . . . .	76,587	22	100	1,810
1936 . . . . .	70,224	204	65	1,700
1937 . . . . .	84,519	...	109	....

<sup>1</sup> Unless otherwise stated the short ton is used throughout this report.

## DUTIES

Prior to June 18, 1930, the duty on hay was \$4 per long ton. Subsequently this was raised to \$5 per short ton, which rate was in effect until the application of the Canada-United States trade agreement, which reduced the duty to \$3 per short ton. Thus, since at the present time the import duties are somewhat under those in effect prior to the 1931-35 period, the figures previous to these years are of interest as giving a guide as to what may be expected of imports during this year.

## POSSIBILITIES

Thus it is found that the current situation is similar to that ruling in 1928 when the total hay production was 83,842,000 tons, while corn production in the same year was 114 per cent of the 1931-35 average. Imports of hay in that year reached 60,000 tons, but the hay-consuming animals were less than at the beginning of 1937, so that the hay supply per animal was somewhat over that of this year, being 2,140 pounds. Statistically therefore there should be an opening for slightly more than 60,000 tons of hay for the fiscal year ending June 30, 1938.

From the foregoing table, however, it will be noted that imports do not conform to the domestic production of hay or corn, or to the number of hay-

consuming animals. The reason for such discrepancy is obviously to be found in the Canadian hay production. Thus in 1934, with a low amount of hay available per animal and with the smallest corn crop in recent years, imports were negligible. In 1934 production of all hay in Canada was the lowest for the period 1931-36 and only 87 per cent of the 1931-35 average. However, with an under-average hay and corn production in the United States but a better hay supply per animal for 1936, imports for the agricultural year 1937 reached the high figure of 204,000 tons. This improvement was obviously greatly assisted by the reduction in duty in effect all of that year. At the same time the 1936 Canadian hay production was 109 per cent of the five-year average.

Obviously other factors affect the possible movement of Canadian hay each year to the United States, one of which being the demand for hay from the United Kingdom and the consequent effect on the surplus and on prices for Canadian hay. These latter factors affect the movement but have no influence on the demand.

#### DOMESTIC PRODUCTION AND PRICES

As already shown, the 1937 production of hay in the United States is high, but its quality is generally inferior and there is a definite lack of heavy clover in the Eastern States and New England. Breaking down the total hay production shows that heavy clover and timothy accounted for 24,412,000 tons, alfalfa for 27,364,000 tons, and wild hay for 9,943,000 tons. The timothy and clover production is about equal to the 1931-35 average, but the latter was greatly reduced owing to an unprecedentedly low production in 1936, and this year's production is very considerably under a longer-term average. On the other hand, production of alfalfa is 15 per cent over average and one of the highest on record, second only to that of 1935.

In spite of this heavy supply, prices have held up remarkably well. This situation may be attributed in part to the dry pastures causing liberal feeding of alfalfa. Furthermore, with increased prices being paid to dairy farmers and high prices for beef cattle, the demand for feeds in general is strong and the plentiful production of hay is being readily put into consumption. However, there is no interest shown for imported alfalfa except for fancy second cutting in a few areas. On the other hand, good heavy clover is in demand both as a filler for the poorer grades of alfalfa and to take care of an actual lack of such types.

The following table gives prices at the beginning of the month at various centres for the different types of hay. The prices given are in dollars per ton for the top grades delivered at the different markets:—

	Alfalfa Ton	Timothy Ton	Heavy Clover Ton
Boston . . . . .	\$ 22.00	\$16.00-17.00	\$ 19.00
New York . . . . .	.....	19.00	24.00-26.00
Chicago . . . . .	20.00-23.00	17.18	.....
Kansas . . . . .	21.50-23.00	.....	.....
Philadelphia . . . . .	.....	16.00-17.00*	.....

\* No. 2 Grade.

With the foregoing prices, it is considered that there is little opportunity of exporting timothy or alfalfa from Canada except for exceptionally good lots. For example, one dealer reports that grades of hay similar to those imported last year are being quoted at \$14 per ton at New York. This price is calculated to bring about \$3.40 per ton average shipping point in Canada (deducting duty of \$3 and freight of \$7.60). On the other hand, there is an opening for heavy clover, and if any shippers have supplies for disposal they should advise the Canadian Government Trade Commissioner at New York without delay.

So far there has been little movement of the new crop to the United States in the face of ample hay and corn silage supplies, but with the free movement into consumption it may be that the demand will improve later in the year.



## TRADE OF COSTA RICA IN 1936

W. J. RIDDIFORD, CANADIAN TRADE COMMISSIONER

Panama City, R.P., October 30, 1937.—The Department of Commerce and Industry of the Government of Costa Rica recently issued official statistics for the calendar year 1936 which show an increase in the total value of the country's foreign trade during 1936 as compared with 1935 amounting to U.S.\$1,-968,893. Foreign merchandise was imported into Costa Rica during 1936 to a per capita value of U.S.\$15.86 as compared with U.S.\$13.80 per capita during 1935. Exportation of domestic products on a per capita basis was U.S.\$14.91 during 1936 as compared with U.S.\$14.27 for 1935. The calendar year 1936 closed with a visible unfavourable balance of trade of U.S.\$562,928 as compared with a visible favourable balance of U.S.\$275,436 recorded for the calendar year 1935.

### EXPORTS

The total value of exports from Costa Rica increased during 1936 as compared with 1935 by U.S.\$575,264. Purchases of Costa Rican products by the United States, Germany, France, and Italy accounted for the bulk of this increase, as shown in the following table:—

#### *Exports from Costa Rica by Countries of Destination*

	1935 U.S. Dollars	1936 U.S. Dollars
Total .. . . .	8,250,129	8,825,393
United States.. . . .	2,997,322	3,680,677
United Kingdom .. . . .	2,421,794	2,164,426
Germany.. . . .	1,682,968	1,870,844
France .. . . .	138,848	217,865
Italy .. . . .	113,258	213,643
Netherlands .. . . .	237,838	135,011
Sweden .. . . .	55,209	86,553
Colombia .. . . .	78,402	74,418
Spain .. . . .	128,903	67,510
Belgium .. . . .	7,896	56,561
Canada .. . . .	53,303	42,849
Other countries .. . . .	334,381	215,030

During the year 1936 coffee accounted for 57·67 per cent of the total value of Costa Rican exports, bananas 23·49 per cent, cacao 10·41 per cent, and gold 5·01 per cent. These four commodities comprised 96·5 per cent of the total value of Costa Rican exports during 1936. The following table gives the total value of twelve leading Costa Rican exports during 1935 and 1936:—

#### *Exports from Costa Rica by Commodities*

	1935 U.S. Dollars	1936 U.S. Dollars
Total .. . . .	8,250,129	8,825,393
Coffee .. . . .	5,541,018	5,089,961
Bananas .. . . .	1,493,512	2,073,162
Cacao .. . . .	353,134	919,077
Gold bars .. . . .	312,735	441,859
Timber .. . . .	13,539	30,620
Honey .. . . .	13,931	13,380
Hides and skins .. . . .	2,304	9,413
Turtle shell .. . . .	4,335	8,379
Oranges .. . . .	5,654	7,603
Vegetables .. . . .	3,998	3,623
Fruits (other) .. . . .	1,595	3,540
Pelts .. . . .	2,417	2,827
Other articles .. . . .	501,951	221,944

Puerto Limon continued to handle approximately 80 per cent of total Costa Rican exports, about 15 per cent being shipped through Puntarenas.

## IMPORTS

The total value of imports into Costa Rica increased during 1936 by U.S.\$1,413,629 as compared with 1935. The following table shows the participating countries, the increase in imports from Canada amounting to U.S.\$20,354:—

*Imports into Costa Rica by Countries of Origin*

	1935 U.S. Dollars	1936 U.S. Dollars
Total .. . . .	7,974,693	9,388,322
United States .. . . .	2,739,463	3,662,998
Germany .. . . .	2,466,971	2,973,562
Japan .. . . .	551,276	654,947
United Kingdom .. . . .	746,713	647,921
Nicaragua .. . . .	70,567	243,553
Panama .. . . .	319,395	216,638
Venezuela .. . . .	78,320	133,208
France .. . . .	112,088	102,914
Spain .. . . .	94,103	69,280
Mexico .. . . .	41,152	53,762
Canada .. . . .	24,530	44,884
Sweden .. . . .	32,757	28,081
Other countries .. . . .	697,358	559,574

The following table gives the total value of imports into Costa Rica during 1935 and 1936 of the twenty leading commodities:—

*Principal Imports*

	1935 U.S. Dollars	1936 U.S. Dollars
Total .. . . .	2,224,260	2,570,287
Flour .. . . .	457,248	555,782
Gasoline .. . . .	223,432	271,181
Railway materials .. . . .	80,417	248,494
Cotton fabrics.. . . .	139,687	188,454
Cement .. . . .	106,695	185,594
Cotton prints .. . . .	127,540	160,188
Jute sacks .. . . .	76,793	132,578
Paraffin .. . . .	103,974	121,192
Fertilizer .. . . .	113,381	108,634
Zinc .. . . .	104,583	107,634
Lard (hog) .. . . .	138,649	103,023
Industrial machinery and accessories .. . . .	70,266	99,521
Crude petroleum .. . . .	91,654	92,178
Structural steel and iron .. . . .	122,344	57,536
Compound lard .. . . .	53,089	42,629
Rice .. . . .	4,968	28,680
Timber .. . . .	55,767	19,996
Construction materials .. . . .	5,865	19,389
Coal .. . . .	3,916	18,979
Iron tubes and pipes .. . . .	129,261	6,357
Sugar .. . . .	14,281	2,182

## CANADIAN PARTICIPATION

Imports into Canada from Costa Rica consist almost entirely of green coffee and bananas, while a wide range of Canadian products is shipped from Canada to Costa Rica, including flour, paper, rubber tires, fish, tinned milk, electrical apparatus, chemicals, tubes and fittings, canvas shoes, and whisky.

The complete lack of direct sailings from Canadian ports to Puerto Limon or Puntarenas places Canadian exporters at a disadvantage in the Costa Rican market, but in spite of this handicap many Canadian products are making headway. The increase in Canadian exports to Costa Rica is probably due largely to the fact that Costa Rican importers have no difficulty in obtaining foreign exchange to pay for imports from Canada and because Canadian products enjoy most-favoured-nation treatment in that country.



## EXCHANGE CONTROL IN COLOMBIA

Mr. W. J. Riddiford, Canadian Trade Commissioner in Panama City, cables under date November 12 that the Exchange Control Board of Colombia passed a resolution on November 11 whereby the issue of all import licences is suspended for an indefinite period, in order to allow sufficient time for the board to examine carefully the present situation and make other arrangements.

## CONDITIONS IN THE NETHERLANDS INDIES, JANUARY TO JUNE

K. F. NOBLE, ACTING TRADE COMMISSIONER

(One florin equals Can.\$0.55; one metric ton equals 2,205 pounds)

Singapore, October 15, 1937.—The favourable economic conditions which prevailed in the Netherlands Indies during 1936 continued during the first half of 1937. Government revenues improved notably, and returns from commerce, industry, and agriculture increased to a greater extent than in any similar period since 1930. Wholesale prices moved upward in the case of imported goods, and the values of both exports and imports were materially higher.

The credit position improved, the number of bankruptcies being lower than for several years past. Railway revenues and postal, telegraph, and telephone returns showed increases.

The improved agricultural position in the Outer Provinces, following two excellent crop seasons and higher prices, has resulted in increased purchasing power among the rural population.

### GOVERNMENT PRICE CONTROL

In order to offset the advance in the living costs of wage-earners, the Netherlands Indies Government has authorized the enactment of measures to control the prices of all products offered for sale. On May 28 a general increase of 5 per cent in salaries was granted to civil servants receiving less than fl. 300 per month.

### GOVERNMENT REVENUES

Gross revenues for the period increased by 30 per cent, totalling fl. 241,279,000 as against fl. 186,118,000 during the first six months of 1936 and the budget estimate of fl. 191,042,000. With the exception of monopoly profits, revenues from all sources improved. Income from taxation increased by 40 per cent to fl. 144,285,000 from fl. 106,244,000 during the first six months of 1936.

### FOREIGN TRADE

Total trade in the period under review was valued at fl. 712,600,000, an increase of 76 per cent over the figure for the similar period of 1936.

The combined imports for Java and Madura and the Outer Provinces were valued at fl. 227,400,000 as compared with fl. 129,100,000 in the 1936 period; exports showed an even more striking expansion, being valued at fl. 485,200,000 as against fl. 274,900,000.

### IMPORTS

Substantial increases are noted in both quantities and values of imports into Netherlands India as shown in the following table:—

*Principal Imports into Netherlands India*

	January-June		January-June	
	1936	1937	1936	1937
	1,000 Metric Tons		1,000,000 Florins	
Foodstuffs and luxuries (excluding rice, soya and beer) . . . . .	120.4	146.5	22.0	32.5
Minerals . . . . .	157.3	172.5	3.5	4.7
Chemicals . . . . .	95.2	127.6	13.0	21.4
Earthenware and porcelain . . . . .	14.0	23.3	1.1	2.0
Glass and glassware . . . . .	10.1	13.7	1.5	2.6
Yarns and fabrics (excluding gunny bags) . . . . .	37.8	62.4	34.2	68.5
Paper and paperware . . . . .	34.1	47.2	5.4	8.0
Metals . . . . .	107.9	185.6	13.0	31.0
Vehicles . . . . .	9.4	14.2	6.0	12.6
Machines . . . . .	23.0	32.9	12.4	22.8

## EXPORTS

Exports from Netherlands India for the first six months of 1937 were valued at fl. 485,200,000, an increase of fl. 210,300,000 as compared with the similar period of last year. All major exports increased both in quantity and value as shown in the following table:—

*Principal Exports from Netherlands India*

	January-June		January-June	
	1936	1937	1936	1937
	1,000 Metric Tons		1,000,000 Florins	
Tin (including tin ore) . . . . .	17.4	21.2	21.2	34.3
Tea . . . . .	36.9	33.2	22.5	24.3
Rubber . . . . .	144.2	217.6	55.3	160.1
Petroleum products . . . . .	2,602.3	2,953.8	43.4	78.1
Sugar . . . . .	384.5	528.5	14.7	21.1
Coffee . . . . .	29.1	37.6	5.5	9.5
Tapioca products . . . . .	70.1	201.7	3.4	9.1
Copra . . . . .	228.0	227.8	16.2	32.2
Palm oil . . . . .	72.2	75.0	9.4	11.2
Pepper . . . . .	22.1	11.2	3.2	2.2
Fibres . . . . .	53.5	59.7	6.0	12.6

## NOTES ON EXPORT COMMODITIES

## RUBBER

The increased production of rubber, made possible by less rigorous restrictions of the International Rubber Restriction Committee, has been a factor of major importance in the generally improved conditions.

The rubber export quota, placed at 60 per cent for the first half and 65 per cent for the second half of 1936, was increased on January 1, 1937, to 75 per cent for the first quarter, 80 per cent for the second quarter, and 90 per cent for the second half of 1937. Total exports of rubber during the January-June period of 1937 were 217,600 tons valued at fl. 160,100,000 as against 144,200 tons valued at fl. 55,300,000 during the similar period of 1936. Stocks in storage were increased by 12,698 tons to 34,527 tons on July 1.

## SUGAR

The 1935-36 sugar season closed on March 31, 1937, with stocks at the lowest level in years. In the April-June quarter 423,926 tons of sugar were manufactured and, although this was approximately three times the quantity processed in the similar period of 1936, stocks on June 30 had been further reduced by nearly 60,000 metric tons.

## COCONUT OIL

Exports from Java and Madura increased by over 800 per cent to a total of 34,557 metric tons. Prices, moreover, were maintained at a remunerative



level, the average price for the half-year being fl. 13·60 as against fl. 7·56 in the same period of the previous year.

#### PETROLEUM

Production of petroleum increased by 14 per cent to 3,498,929 metric tons, and exports by a similar percentage to 2,953,753 metric tons.

#### TIN

Tin production for the first half-year amounted to 8,578 metric tons (6,947 tons in the 1936 period), of which 8,418 tons (7,009 tons) were exported. The production quota was 100 per cent in the first quarter and 110 for the following months.

#### COFFEE AND TEA

Exports of coffee in the first six months of 1937 increased by 8,400 tons from the figure for the corresponding period in 1936 to 37,597 tons, while tea exports declined by 10 per cent from the 1936 figure to 33,215 tons.

#### TRADE WITH CANADA

According to figures of the Dominion Bureau of Statistics, Canada's exports to Netherlands India during the first six months of 1937 were valued at \$458,300 as compared with \$317,430 for the corresponding period of 1936. The principal items exported were: cotton fabrics (\$223,035); newsprint (\$61,958); wheat flour (\$28,311); pens, pencils and parts (\$26,172); chemical fertilizers (\$24,543); pneumatic tire casings (\$19,319); aluminium manufactures (\$9,444); wood-pulp (\$8,755); rubber belting (\$8,662); aluminium bars, blocks, etc. (\$5,050); canned fish (\$4,927).

For the first six months of 1937 imports from Netherlands India into Canada, according to Dominion Bureau of Statistics figures, were valued at \$515,065, the principal commodities being as follows: sisal fibre (\$171,518); palm and palm kernel oil (\$80,596); unground pepper (\$46,873); crude rubber (\$42,938); sago and tapioca (\$41,089); kapok (\$26,838); vegetable glue (\$23,354); black tea (\$18,595).

### JAPAN'S 1937 RICE CROP ESTIMATE

A. K. DOULL, ASSISTANT TRADE COMMISSIONER

Tokyo, October 6, 1937.—According to a report of the Ministry of Agriculture and Forestry, this year's rice crop throughout Japan will amount to 332,281,163 bushels. This means a decrease of 1,582,349 bushels or 0·5 per cent from the actual crop of last year, but an increase of 27,013,930 bushels or 8·8 per cent when compared with the average crop during the last five years. The total area of rice fields under cultivation amounted to 7,871,365 acres, showing an increase of 21,030 acres or 0·3 per cent in comparison with last year's acreage. Young rice plants throughout the country grew normally in the spring except in the Hokkaido, Tohoku, Hokuriku, and Tosan districts. Due to prolonged dry weather and high temperatures, it was believed in August that this year's crop would be very good. In early September, however, a typhoon did much damage to the rice crops in Shikoku, Chugoku, and Kinki. The rice year begins on November 1. Stocks at present are estimated at 39,680,000 bushels.

Korea promises to yield a bumper crop this year. Heavy imports, totalling 42,160,000 bushels, are likely to be brought to Japan during the coming rice year. The ministry expects next year's consumption to increase due to two successive years of large crops and the present war situation.

## NEW ZEALAND-GERMANY TRADE AGREEMENT

R. P. BOWER, ASSISTANT TRADE COMMISSIONER

Auckland, New Zealand, October 12, 1937.—The new Trade Agreement between Germany and New Zealand became effective as from October 12, 1937. The new arrangement provides for a reduction of the New Zealand tariff on sixteen classes of goods imported from Germany. Under these items imports from Germany are not to be subject to surtax, and in cases where the imposition of a dumping duty appears necessary, the New Zealand Government has undertaken to advise the German Government before imposing such duties. New Zealand retains the right to impose a dumping duty, however, whenever local industries, or the preferences accorded British countries, are adversely affected.

In 1936 the total New Zealand imports of the products covered by the agreement were valued at \$5,759,716. Of this total, \$3,357,776 or 58 per cent came from the United Kingdom, \$382,432 or 6.6 per cent originated in Germany, and \$338,384 or 5.8 per cent in Canada.

Items covered by the new agreement, together with the British preferential tariff, general tariff, and new duty on German goods, are given below. Where there is a duty under the British preferential tariff, a surtax amounting to nine-fortieths of the duty is assessed on imports from Canada. Imports from the United Kingdom and Australia are not subject to surtax. Where the general tariff and the new German rates appear identical, it should be borne in mind that there is no surtax in the case of the German items covered by the agreement. Statistics of trade are given for the items of most importance to Canada.

### ITEMS COVERED BY THE NEW AGREEMENT

*Wine other than Sparkling.*—British preferential tariff, 4s. per gallon; general tariff, 6s. per gallon; duty on German goods, 4s. per gallon plus 20 per cent, or 6s. per gallon, whichever is lower.

*Drugs and Chemicals n.e.i.*—British preferential tariff, 20 per cent; general tariff, 45 per cent; duty on German goods, 40 per cent.

*Braids and Bindings n.e.i.*—British preferential tariff, 20 per cent; general tariff, 45 per cent; duty on German goods, 40 per cent.

*Lenses, All Kinds.*—British preferential tariff, free; general tariff, 20 per cent; duty on German goods, 20 per cent.

Imports of unmounted lenses in 1936 were valued at \$56,500, of which \$21,696 came from the United Kingdom, \$20,568 from the United States, \$8,996 from Canada, and \$656 from Germany.

*Artists' Materials.*—British preferential tariff, free; general tariff, 25 per cent; duty on German goods, 20 per cent.

*Camera Cases.*—British preferential tariff, 20 per cent; general tariff, 50 per cent; duty on German goods, 40 per cent.

*Clocks.*—British preferential tariff, 20 per cent; general tariff, 45 per cent; duty on German goods, 40 per cent.

Total imports in 1936 of clocks, time registers, and time detectors were valued at \$220,504. The United Kingdom is credited with \$77,776, Germany with \$51,392, and Canada with \$50,284. The above-mentioned three countries accounted for 81 per cent of the total, the only other sources of any importance being the United States and Japan. Canada and Germany compete for the market for cheap timepieces included under this heading.

*Pianos, Organs, and Similar Items.*—British preferential tariff, free; general tariff, 45 per cent; duty on German goods, 25 per cent.

*Musical Instruments n.e.i.*—British preferential tariff, free; general tariff, 45 per cent; duty on German goods, 25 per cent.



*Cameras.*—British preferential tariff, 20 per cent; general tariff, 45 per cent; duty on German goods, 40 per cent.

Imports under this heading in 1936 amounted to \$91,904, of which \$31,484 came from the United Kingdom, \$29,456 from Germany, \$21,048 from the United States, and \$9,300 from Canada.

*Photographic Goods n.e.i.*—British preferential tariff, 20 per cent; general tariff, 45 per cent; duty on German goods, 40 per cent.

*Emery Paper.*—British preferential tariff, free; general tariff, 25 per cent; duty on German goods, 20 per cent.

The above heading includes emery paper, emery cloth, and glass paper cut into shapes, in rolls or in sheets. Imports in 1936 were valued at \$98,504, of which \$80,404 came from the United Kingdom. The United States is credited with \$10,760, Germany with \$3,684, and Canada with \$2,264.

*Paperhangings.*—British preferential tariff, free; general tariff, 25 per cent; duty on German goods, 25 per cent.

Out of total imports valued at \$299,132 in 1936, \$242,804 came from the United Kingdom, \$55,504 from Canada, and \$476 from Germany.

*Engines Specially Suited for Cycles.*—British preferential tariff, 10 per cent; general tariff, 40 per cent; duty on German goods, 30 per cent.

*Artificers' Tools n.e.i.*—British preferential tariff, free; general tariff, 25 per cent; duty on German goods, 25 per cent.

This includes axes, hatchets, spades, shovels, forks, picks, mattocks, hammers, scythes, sheep-shears, reaping-hooks, scissors (not less than 10 inches in length), butchers' and other cleavers and choppers, hand-saws, saw-blades (machine or hand), bill-hooks, bush-hooks, slashers and hedge-knives, but does not include brushes. Imports in 1936 were valued at \$1,362,696. The leading suppliers in order of importance were the United Kingdom (\$732,916), the United States (\$293,660), Canada (\$185,332), Germany (\$67,200), Australia (\$42,684), and Sweden (\$20,776).

*Field Glasses.*—British preferential tariff, 20 per cent; general tariff, 45 per cent; duty on German goods, 40 per cent.

*Builders' and Cabinetmakers' Hardware.*—British preferential tariff, free; general tariff, 45 per cent; duty on German goods, 25 per cent.

This heading includes such items as hinges, latches, locks, keys, handles, pulls, catches, clips, slides, and similar articles suited for use on drawers and cabinets; metal escutcheon plates; handles, pulls, bolts, knockers, letter-plates, and bells for doors; metal plugs, clips, and similar fittings specially suited for builders' use in affixing articles to concrete or plaster.

Imports for 1936 amounted to \$360,120, of which \$338,240 came from the United Kingdom, \$8,292 from Sweden, \$7,100 from Australia, \$2,564 from the United States, \$2,128 from Germany, and \$1,604 from Canada.

*Kalsomine and Distempers in Powder Form.*—British preferential tariff, free; general tariff, 35 per cent; duty on German goods, 25 per cent.

Imports in 1936 were valued at \$25,736, of which \$10,340 were credited to Australia, \$9,672 to the United States, \$4,564 to the United Kingdom, and \$800 to Canada.

#### GENERAL

Orders in Council extend the reduced duties to other countries with which New Zealand has most-favoured-nation agreements. These are: Argentina, Austria, Belgium and Luxemburg, Brazil, China, Czechoslovakia, Egypt, Finland, Greece, Hungary, Italy, Japan, Norway, Spain, and Sweden.

In return for the concessions outlined above, New Zealand hopes to secure in Germany a market for local butter and fruit. During recent years these products have been prevented from entering that country under the restrictions imposed on the use of foreign exchange. Under the Payments Agree-

ment, which is part of the Trade Agreement, Germany undertakes to make available for the purchase of New Zealand products the full amount of foreign exchange accruing to Germany from exports to New Zealand. By the treaty Germany undertakes to allocate a considerable portion of credits established in Germany for the purchase of butter and apples. The amount allocated will be based on a percentage of the credits accruing to Germany from exports to New Zealand during the preceding year. In the case of butter, the purchases will amount to 25 per cent of such credits up to £400,000 sterling (\$2,000,000) plus 50 per cent of the credits in excess of that figure. In the case of apples, the allocation will represent 5 per cent of the credits up to £400,000 sterling (\$2,000,000) plus 20 per cent of the credits in excess of that figure, with a maximum purchase of apples from New Zealand in any one year of £60,000 sterling (\$300,000). The Payments Agreement comes into force in January, 1938, and is binding for two years. Unless notice of termination is previously given, it is to continue in force from then on, subject to three months' notice of withdrawal by either party.

It has been emphasized that the terms of the agreement were referred to, and approved by, the United Kingdom Government before presentation to Germany.

## TARIFF CHANGES AND CUSTOMS REGULATIONS

### Australia

#### TARIFF DECISIONS

Recent decisions of the Australian Department of Customs as to the tariff classification of articles regarding which question had been raised include the following:—

Coin-operated amusement machines, whether conforming to the departmental definition of a machine or not, 25 per cent ad valorem under the British preferential tariff and 67½ per cent under the general tariff, duties to increase as present Australian exchange depreciation may lessen (Item 310A). Cards for use with such machines, not being of an advertising nature, are under the same item. Classification of other coin-operated machines will be determined on importation.

Castors of the type commercially usable only on metal bedsteads or cots, 35 per cent ad valorem under the British preferential tariff (rate adjustable to compensate for Australian exchange depreciation), 45 per cent ad valorem under the general tariff (Item 191A). Castors of the type commercially usable on vehicles, 40 per cent ad valorem under the British preferential tariff (rate adjustable to compensate for Australian exchange depreciation), 60 per cent under the general tariff (Item 359F1). Castors, other than the foregoing, of the type used on furniture, 25 per cent ad valorem under the British preferential tariff, 53½ per cent under the general tariff, duties to increase as present Australian exchange depreciation may lessen (Item 305A).

Ferro-aluminium in the form of ingots, consisting of aluminium, silicon, and ferrous metals, the aluminium being the ingredient of greatest value, free of duty under the British preferential tariff, 15 per cent ad valorem under the general tariff (Item 137A1).

Rubber hose, armoured, in lengths not greater than 8 feet, fitted at either or both ends with metal connections, for use in the manufacture of hand grease guns and portable power greasing equipment; also cellulose wool in sheets of not less than 20 by 10 inches for use in the manufacture of hygienic neck bands used by hairdressers, are among articles admitted as materials of a class or kind not commercially manufactured in Australia, for use in the manufacture of goods within the Commonwealth, free of duty under the British preferential tariff, 15 per cent ad valorem under the general tariff (By-law under Item 404).

Sausage casings composed of cellulose transparent wrapping paper if bearing only the manufacturer's name, trade-mark, and the name of the goods to be packed therein, are free of duty under both British preferential and general tariffs (Item 90). If bearing wording of an advertising character they are dutiable under the British preferential tariff at 1s. per pound or 45 per cent ad valorem, whichever yields the greater duty (rate adjustable to compensate for Australian exchange depreciation), and 1s. 6d. per pound or 65 per cent ad valorem, whichever yields the greater duty, under the general tariff (Item 338A).



Canadian goods accompanied by the prescribed certificate of origin and shipped in accordance with Australian regulations are entitled to the British preferential tariff rates quoted above. Goods from all countries outside the British Empire are subject to general tariff rates.

Following is the new tariff definition of undressed staves: "A 'stave undressed' is a rough split or rough sawn piece of wood suitable for stave making which when used for making cask staves is generally from 2 feet to 4 feet in length, 1 inch to 2 inches in thickness, and up to 4½ inches in width. When used for making vat staves the sizes are proportionally greater."

## New Zealand

### DEFERRED DUTIES

Deferred changes of rates of duty under three items of the New Zealand customs tariff that were to have become effective on November 1, 1937, have been further postponed until November 1, 1938. The items affected are:—

*Item 360.*—Nails or tacks exceeding 1 inch in length made from iron wire, whether plain, galvanized, or cement-coated, n.e.i. Present rates £2 per ton (2,240 pounds) under the British preferential tariff, £4 per ton under the general tariff; rates deferred to November 1, 1938, free of duty under the British preferential tariff, £4 per ton under the general tariff.

*Item 361.*—Nails, lead-headed, and galvanized cup-headed roofing nails. Present rates 20 per cent ad valorem under the British preferential tariff, 40 per cent ad valorem under the general tariff; rates deferred to November 1, 1938, free of duty under the British preferential tariff, 40 per cent ad valorem under the general tariff.

*Item 397-1.*—White lead ground in oil. Present rates 6s. per cwt. (112 pounds) under the British preferential tariff, 9s. per cwt. under the general tariff; rates deferred to November 1, 1938, free of duty under the British preferential tariff, 9s. per cwt. under the general tariff.

Under all three items the British preferential rates (plus surtax of 22½ per cent of duty) are applicable to Canadian goods. The general tariff applies to goods from all countries outside the British Empire and is increased by a surtax of 22½ per cent of the duty except as regards imports from sixteen specified "most-favoured" countries under Item 360 only.

## Kedah

### TARIFF CHANGES

(One \$ Straits equals 58 cents Canadian)

Mr. K. F. Noble, Acting Trade Commissioner, Singapore, forwards a copy of Kedah (Unfederated Malay States) Customs Notification No. 695, effective September 21, 1937, which reduces the general tariff on milk products from S\$5 to S\$4 per 100 pounds and the British preferential tariff from S\$1 to free per 100 pounds. The general tariff on "fruits and vegetables, including jam and marmalade, preserved in metal, glass, or earthenware containers," is reduced from 20 per cent to 15 per cent ad valorem; the preferential tariff remains free as formerly.

Canadian products shipped in accordance with the prescribed regulations are eligible for British preferential tariff treatment.

## Netherlands

### MONOPOLY TAX ON WHEAT FLOUR

With reference to the article in *Commercial Intelligence Journal* No. 1734, April 24, 1937, page 697, Mr. J. A. Langley, Canadian Trade Commissioner, Rotterdam, advises that the Netherlands Central Flour Office has fixed the rebate on imported wheat flour at 0.50 florin per 100 kilos, effective October 9, 1937.

The fixed monopoly import fee on wheat flour remains unchanged at 4 florins per 100 kilos. Consequently the net fee payable on imports amounts to 3.50 florins per 100 kilos.

The basis on which the rebate is calculated is governed by world market prices of cereals for bread-making, and changes are made by the Netherlands Central Flour Office as and when economic conditions in Holland warrant.

#### ABOLITION OF IMPORT RESTRICTIONS AND MONOPOLY TAX ON SALMON

Writing under date November 5, 1937, Mr. J. A. Langley, Canadian Trade Commissioner at Rotterdam, states that, according to a circular letter from the Central Netherlands Fisheries Office, The Hague, the Netherlands import restrictions and monopoly tax of 8 Netherlands cents per kilogram net (2 cents per pound) on fresh, frozen, chilled, cured, and smoked salmon have been abolished as from November 1, 1937.

### Finland

#### REDUCED DUTIES ON WHEAT AND FLOUR

Mr. Richard Grew, Canadian Trade Commissioner at Oslo, reports under date October 26 that a law was passed in Finland on October 1 providing for the following reduced duties on wheat and wheat products during the year 1938, the present duties being shown within parentheses: wheat, Finnish marks 1 per kilogram (1.25); unsifted wheat flour, Finnish marks 1.15 per kilogram (1.40); sifted wheat flour, granulated wheat flour, and wheaten groats, Finnish marks 1.85 per kilogram (2.25). (One Finnish mark is equal to 2.2 cents; and one kilogram is equivalent to about 2.2 pounds.)

### Netherlands India

#### MARKING OF POSTAL PARCELS

Mr. K. F. Noble, Acting Trade Commissioner, Singapore, advises under date October 8, 1937, that gross and net weights must be shown on all parcels forwarded by post to Netherlands India. In the absence of such details the Netherlands Indies Department of Customs is not prepared to issue import licences and delay will result, to the dissatisfaction of the purchaser.

Shipments of dresses by parcel post, in addition to showing gross and net weights, should give separately the net weights of dresses classified under the following headings: silks, rayon silks, cottons, and cotton and wool mixtures.

### Cuba

#### SEED POTATO IMPORT REGULATIONS

Mr. C. S. Bissett, Canadian Trade Commissioner in Havana, Cuba, writes under date November 4, 1937, that a warning has just been issued by the Cuban Department of Agriculture that seed potatoes which do not conform strictly to the import regulations with respect to freedom from adhering soil will be refused entry for seed purposes in future. Exporters are therefore strongly advised to prepare their seed for shipment in a manner which will obviate any possibility of rejection by the health authorities with consequent heavy loss to both exporters and importers.



## FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING NOV. 15, 1937

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, November 15, and for the week ending Monday, November 8, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Nov. 8	Nominal Quotations in Montreal Week ending Nov. 15	Official Bank Rate
Austria . . . . .	Schilling	.1407	\$ .1894	\$ .1888	3½
Belgium . . . . .	Belga	.1001	.1707	.1701	2
Bulgaria . . . . .	Lev	.0072	.0129	.0130	6
Czechoslovakia . . . . .	Krone	.0296	.0351	.0351	3
Denmark . . . . .	Krone	.2680	.2241	.2228	4
Finland . . . . .	Markka	.0252	.0221	.0221	4
France . . . . .	Franc	.0392	.0341	.0338	3
Germany . . . . .	Reichsmark	.2382	.4042	.4034	4
Great Britain . . . . .	Pound	4.8666	5.0200	4.9907	2
Greece . . . . .	Drachma	.0130	.0092	.0091	6
Holland . . . . .	Guilder	.4020	.5559	.5534	2
Hungary . . . . .	Pengo	.1749	.2953	.2948	4
		Unofficial	.1983	.1983	—
Italy . . . . .	Lira	.0526	.0526	.0526	4½
Jugo-Slavia . . . . .	Dinar	.0176	.0232	.0231	5
Norway . . . . .	Krone	.2680	.2522	.2507	4
Poland . . . . .	Zloty	.1122	.1894	.1891	5
Portugal . . . . .	Escudo	.0442	.0452	.0452	4
Roumania . . . . .	Leu	.0060	.0073	.0073	4½
Spain . . . . .	Peseta	.1930	.0631	.0626	5
Sweden . . . . .	Krona	.2680	.2588	.2573	2½
Switzerland . . . . .	Franc	.1930	.2327	.2311	1½
United States . . . . .	Dollar	1.0000	.9993	.9993	1
Mexico . . . . .	Peso	.4985	.2773	.2775	4-5
Cuba . . . . .	Peso	1.0000	.9986	.9986	—
Guadeloupe . . . . .	Franc	.0392	.0341	.0338	—
Jamaica . . . . .	Pound	4.8666	5.0300	5.0007	—
Martinique . . . . .	Franc	.0392	.0341	.0338	—
Other British West Indies	Dollar	1.0138	1.0459	1.0397	—
Argentina . . . . .	Peso (Paper)	.4245	.3348	.3329	—
		Unofficial	.2978	.2958	—
*Brazil . . . . .	Milreis	.1196	.0557	.0598	—
British Guiana . . . . .	Dollar	1.0138	1.0459	1.0397	—
Chile . . . . .	Peso	.1217	.0517	.0517	3-4½
Colombia . . . . .	Peso	.9733	.5695	.5695	4
Peru . . . . .	Sol	.2800	.2598	.2600	6
Venezuela . . . . .	Bolivar	.1930	.3135	.3135	—
Uruguay . . . . .	Peso	1.0342	.7910	.7911	—
South Africa . . . . .	Pound	4.8666	5.0140	4.9850	3½
Egypt . . . . .	Pound (100 Piastres)	4.9431	5.1460	5.1168	—
China (Shanghai) . . . . .	Dollar	.....	.2949	.2939	—
Hongkong . . . . .	Dollar	.....	.3128	.3103	—
India . . . . .	Rupee	.3650	.3791	.3769	3
Japan . . . . .	Yen	.4985	.2924	.2907	3.29
Java . . . . .	Guilder	.4020	.5559	.5533	—
Siam . . . . .	Baht (Tical)	.4424	.4602	.4574	—
Straits Settlements . . . . .	Dollar	.5678	.5884	.5854	—
Australia . . . . .	Pound	4.8666	4.0162	3.9925	3
New Zealand . . . . .	Pound	4.8666	4.0485	4.0250	2

\* Unofficial.

The Dominion Bureau of Statistics has supplied the following note:—

Sterling rates at Montreal dropped back nearly 4 cents between November 8 and 12, and then stiffened between \$4.98 and \$4.99. Gold commenced to flow from the United States to Europe during the second week of November, with small shipments going to Paris and London. The official discount rate of the Bank of France was reduced on the 12th from 3½ to 3 per cent. Montreal discounts on New York funds remained steady at ¼ of 1 per cent.

## TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

### Secretary, Board of Trade—

Saint John, N.B.	Kitchener, Ont.	St. Boniface, Man.
Halifax, N.S.	Brantford, Ont.	Winnipeg Man.
Quebec, P.Q.	Stratford, Ont.	Vancouver, B.C.
Montreal, P.Q.	Woodstock, Ont.	New Westminster, B.C.
Toronto, Ont.	St. Mary's, Ont.	
Chatham, Ont.	Portage la Prairie, Man.	

### Secretary, Chamber of Commerce—

Sherbrooke, P.Q.	Brantford, Ont.	Victoria, B.C.
Kingston, Ont.	Peterborough, Ont.	Prince Rupert, B.C.
Oshawa, Ont.	London, Ont.	
Belleville, Ont.	Hamilton, Ont.	

Windsor Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

### Secretary, Canadian Manufacturers Association—

Toronto, Ont.	Winnipeg, Man.	Vancouver, B.C.
Montreal, P.Q.	Edmonton, Alta.	Victoria, B.C.

The Maritime Provinces Trade Commissioner, 122 Federal Building, Toronto, Ont.

The Bureau of Provincial Information, Victoria, B.C.

**Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.**

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Foodstuffs—</b>			
Flour.....	799	Port of Spain, Trinidad....	Agency.
Split Peas.....	800	Port of Spain, Trinidad....	Agency.
<b>Miscellaneous—</b>			
Linseed Cake.....	801	Glasgow, Scotland.....	Purchase.
Seed, Garden Peas.....	803	Bristol, England.....	Purchase.
Silk Hosiery (Ladies').....	804	Auckland, New Zealand...	Agency.
Silk Scarves (Ladies').....	805	London, England.....	Agency.
Slippers, Leather (Ladies').....	806	Port of Spain, Trinidad....	Agency.
Cotton Duck.....	807	Port of Spain, Trinidad....	Agency.
Pulp, Strong Unbleached Sulphite	808	Mexico City, Mexico.....	Purchase.
Newsprint.....	809	Melbourne, Australia.....	Purchase.
Asbestos Products.....	810	Melbourne, Australia.....	Purchase.
Chip Container Board and Chip-board.	811	Sydney, Australia.....	Purchase or Agency.



TRADE INQUIRIES—*Concluded*

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Miscellaneous—<i>Concluded</i></b>			
Jute Beards.....	812	Melbourne, Australia.....	Purchase.
Box Shooks.....	813	Bristol, England.....	Purchase.
Bolts and Nuts.....	814	Bristol, England.....	Agency.
Fencing Standards and Straining Pillars.	815	Bristol, England.....	Purchase or Agency.
Galvanized Chain Link Fencing.	816	Bristol, England.....	Purchase or Agency.
Rolled Steel Sections.....	817	Bristol, England.....	Purchase.
Rubber Goods (Belting, Sheet, Tubing, etc.)	818	Auckland, New Zealand...	Agency.
Gas Stoves.....	819	Melbourne, Australia.....	Purchase and Agency.
Clay Pigeons.....	820	New York, N.Y.....	Purchase and Agency.

**PROPOSED SAILINGS FROM CANADIAN PORTS**

(The sailing dates are approximate and subject to change without notice)

**From Montreal***To Liverpool.*—Duchess of York, Nov. 24; Montrose, Nov. 25—both Canadian Pacific.*To London.*—Beaverford, Canadian Pacific, Nov. 25; Aurania, Cunard-White Star Line, Nov. 25; Taborfjell, Fjell Line, Nov. 26.*To Manchester.*—Manchester Port, Nov. 25; Manchester Brigade, Nov. 27—both Manchester Line.*To Southampton.*—Duchess of Richmond, Canadian Pacific, Nov. 25.*To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—Bristol City, Bristol City and Dominion Lines, Nov. 27.*To Glasgow.*—Letitia, Donaldson-Atlantic Line, Nov. 25.*To Newcastle and Leith.*—Cairnesk, Nov. 24; Cairnglen, Nov. 29—both Cairn-Thomson Line.*To Aberdeen and Hull.*—Consuelo, Ellerman's Wilson Line, Nov. 24.*To Belfast.*—Dunaff Head, Head Line, Nov. 24.*To Antwerp.*—Taborfjell, Fjell Line, Nov. 26; Beaverford, Canadian Pacific, Nov. 26; Grey County (also calls at Havre), County Line, Nov. 27.*To Rotterdam.*—Taborfjell, Fjell Line, Nov. 26; August, County Line, Nov. 26.*To Norwegian Ports.*—Tyrifjord, Norwegian-American Line, late November.*To St. John's, Nfld.*—Imogene, Shaw SS. Co. Ltd., Nov. 29.*To Puerto Rico, Barbados, Trinidad and Demerara.*—Chomedy (calls at Guadeloupe and Martinique if sufficient cargo offered), Canadian National, Nov. 25.*To Hamilton (Bermuda), Nassau (Bahamas), Kingston (Jamaica) and Belize (British Honduras).*—Lady Rodney, Canadian National, Nov. 24.*To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad, Demerara and Paramaribo.*—A steamer, Ocean Dominion SS. Corp., Nov. 24 (calls at Guadeloupe and Martinique if sufficient cargo offered).*To Brisbane, Sydney and Melbourne.*—Surrey, Montreal-Australia-New Zealand Line, Nov. 23.*To Sierra Leone, Walvis Bay, Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques and Beira.*—Calgary, Elder Dempster Lines Ltd., Nov. 25.**From Saint John***To Liverpool.*—Montclare, Dec. 3; Duchess of Bedford, Dec. 10; Duchess of Atholl, Dec. 15; Montrose, Dec. 24—all Canadian Pacific.*To London.*—Beaverdale, Dec. 2; Beaverbrae, Dec. 9; Beaverburn, Dec. 16; Beaverhill, Dec. 23—all Canadian Pacific.*To Manchester.*—Manchester City, Manchester Line, Dec. 9.

*To Southampton.*—Duchess of Richmond, Canadian Pacific, Dec. 14.

*To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—Dorelian, Cunard-Donaldson and Dominion Lines, Dec. 24.

*To Glasgow.*—Athenia, Donaldson-Atlantic Line, Dec. 11.

*To Newcastle and Leith.*—Cairnmona (also calls at Dundee), Cairn-Thomson Line, Dec. 16.

*To Dublin and Belfast.*—Torr Head, Head Line, Dec. 28 (cargo accepted for Cork).

*To Antwerp and Havre.*—Beaverhill (does not call at Havre), Canadian Pacific, Dec. 23; Hada County, County Line, Dec. 23.

*To Rotterdam.*—Hada County, County Line, Dec. 23.

*To Hamburg.*—Beaverburn, Canadian Pacific, Dec. 16.

*To Marseilles, Genoa, Leghorn, Naples, Messina and Palermo.*—Capo Lena (calls at Lisbon if sufficient cargo offers), Capo Line, Dec. 16.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Hawkins, Nov. 24; Lady Drake, Dec. 8—both Canadian National.

*To Kingston (Jamaica).*—A steamer, United Fruit Co., Dec. 4 and 18.

*To Brisbane, Sydney, Melbourne and Adelaide.*—Port Halifax, Montreal-Australia-New Zealand Line, Dec. 21.

*To Auckland, Wellington, Lyttelton and Dunedin.*—Kaikoura (also calls at Timaru and Bluff), Montreal-Australia-New Zealand Line, Dec. 11.

*To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta, Manila, Hongkong and Dairen.*—City of Worcester (does not call at Rangoon), Nov. 29; City of Bath, Dec. 14; City of Salisbury, Dec. 25—all Canada-India Service (cargo accepted for transshipment at Aden, call at other ports as cargo offers).

*To Cape Town, Algoa Bay, East London and Durban.*—Hoegh Carrier, Nov. 27; Hope Crest, Dec. 7—both Cosmopolitan Navigation Co.

*To Buenos Aires and Montevideo.*—Nordkap, Guardiaz Line, Dec. 4.

### From Halifax

*To Liverpool.*—Manchester Division, Nov. 22; Manchester Exporter, Dec. 23—both Manchester Line; Nova Scotia, Nov. 30; Newfoundland, Dec. 18—both Furness Line; Montclair, Dec. 4; Duchess of Bedford, Dec. 11; Duchess of Atholl, Dec. 16—all Canadian Pacific.

*To London.*—Capulin, Nov. 24; City of Flint, Dec. 8—both American Hampton Roads; Spaarndam, Holland-American Line, Nov. 30; Beavertdale, Dec. 3; Beaverbrae, Dec. 10; Beaverburn, Dec. 17—all Canadian Pacific; Andania, Dec. 4; Ausonia, Dec. 11—both Cunard-White Star Line.

*To Manchester.*—Manchester Brigade, Nov. 30; Manchester City, Dec. 11; Manchester Citizen, Dec. 18—all Manchester Line.

*To Southampton.*—Duchess of Richmond, Canadian Pacific, Dec. 15.

*To Glasgow.*—Athenia, Donaldson-Atlantic Line, Dec. 13.

*To Newcastle and Leith.*—Capulin, Nov. 24; City of Flint, Dec. 8—both American Hampton Roads (call at Dundee and Hull but not at Newcastle); Gitano, Dec. 1; Kyno, Dec. 24—both Ellerman's Wilson Line (call at Aberdeen but not at Leith); Cairnglen, Dec. 2; Cairnmona (also calls at Dundee), Dec. 16; Cairnross, Dec. 30—all Cairn-Thomson Line.

*To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—Boston City, Dec. 15; New York City, Jan. 8—both Bristol City and Dominion Lines; Dorelian, Cunard-Donaldson and Dominion Lines, Dec. 26.

*To Antwerp.*—Beaverhill, Canadian Pacific, Dec. 24.

*To Rotterdam.*—Spaarndam, Holland-America Line, Nov. 30.

*To Hamburg and Bremen.*—Capulin, Nov. 24; City of Flint, Dec. 8—both American Hampton Roads; Beaverburn (does not call at Bremen), Canadian Pacific, Dec. 17.

*To Gothenburg.*—Gripsholm, Swedish-America Line, Dec. 10; Blankaholm (also calls at Scandinavian ports), Swedish-America-Mexico Line, Dec. 20.

*To St. John's, Nfld.*—Fort Townshend (also calls at St. Pierre-Miquelon), Nov. 22; Fort Amherst, Dec. 6 and 20—both Furness-Red Cross Line; Nova Scotia, Nov. 27; Newfoundland, Dec. 18—both Furness Line; Belle Isle (also calls at St. Pierre-Miquelon), Newfoundland-Canada SS. Ltd., Nov. 29, Dec. 13 and 27; Portia, Newfoundland Ry. and SS. Co., Dec. 1.

*To Hamilton, Nassau, Kingston and Belize.*—Cavelier (does not call at Hamilton or Nassau), Dec. 2; Lady Somers, Dec. 9; Cathcart (does not call at Hamilton or Nassau), Dec. 16; Lady Rodney, Dec. 23—all Canadian National.



*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Hawkins, Dec. 2; Lady Drake, Dec. 16; Lady Nelson, Dec. 30—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer (calls at Guadeloupe and Martinique if sufficient cargo offered). Ocean Dominion SS. Corp., Nov. 29; Heroy, Nov. 29; a steamer, December—both Pickford & Black Ltd.

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Chomedy, Nov. 29; Colborne, Dec. 18—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Santiago (Cuba) and Kingston (Jamaica).*—Kirsten B, Dec. 1; Ciss, Dec. 15—both Pickford & Black Ltd.

*To Brisbane, Sydney, Melbourne and Adelaide.*—Port Halifax (also calls at Geelong), Montreal-Australia-New Zealand Line, Dec. 29.

*To Auckland, Wellington, Lyttelton and Dunedin.*—Kaikoura (also calls at Timaru and Bluff), Montreal-Australia-New Zealand Line, Dec. 19.

*To Yokohama, Kobe, Shanghai, Hongkong, Manila, Cebu and Java.*—Cingalese Prince, Nov. 22; Chinese Prince, Dec. 20—both Furness-Prince Line; Silversandal, Dec. 5; Silveryew, Jan. 2—both Silver Line.

### From Vancouver

*To Yokohama, Kobe and Osaka.*—Hiye Maru, Dec. 2; Heian Maru, Dec. 25; Hikawa Maru, Jan. 11—all Nippon Yusen Kaisha.

*To Yokohama, Kobe, Shanghai, Hongkong and Manila.*—Empress of Canada (calls Honolulu), Nov. 27; Empress of Russia (calls Nagasaki), Dec. 11; Empress of Japan (calls Honolulu), Dec. 25—all Canadian Pacific; Talthybius, Dec. 4; Tyndareus, Jan. 6—both Blue Funnel Line (call at Miike but not at Manila).

*To Manila, Iloilo, Cebu, Macassar, Soerabaya, Samarang, Batavia, Singapore, Port Swettenham, Belawan Deli, Colombo, Bombay and Persian Gulf Ports.*—Hoogh Transporter, Dec. 2; Bengkalis, Jan. 1—both Silver-Java Pacific Line.

*To Honolulu, Suva, Auckland and Sydney.*—Niagara, Nov. 24; Aorangi, Dec. 22—both Canadian-Australasian Line.

*To Papeete, Auckland, Wellington, Lyttelton, Dunedin, Melbourne and Sydney.*—Wairuna (calls at Napier), Nov. 25; Limerick, Dec. 25—both Canadian-Australasian Line.

*To Brisbane, Sydney, Melbourne and Adelaide.*—Koyei Maru, Nov. 25; Llandaff, Dec. 15—both Empire Shipping Co.

*To London, Liverpool and Rotterdam.*—Nebraska, Nov. 27; Delftdyk (calls at Glasgow), Dec. 11; Lochgoil, Dec. 25—all North Pacific Coast Line.

*To Antwerp, Hamburg and Bremen.*—Portland, Nov. 22; Vancouver, Dec. 8; Oakland, Jan. 1—all Hamburg-American Line; Schwaben, Nov. 29; Elbe, Dec. 20—both North German Lloyd Line.

*To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.*—San Francisco, Nov. 21; Wyoming, Dec. 10—both Empire Shipping Co.

*To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.*—Indien, Nov. 25; Cellina, Dec. 21—both Empire Shipping Co.

*To Port of Spain (Trinidad) and Bridgetown (Barbados).*—Brynje, Canadian Transport Co., early December.

*To Kingston (Jamaica), Trinidad and Demerara.*—British Monarch, Canadian Transport Co., early December.

*To Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques, Beira, Colombo, Calcutta and Madras.*—Silverpalm, Dec. 4; Salawati, Jan. 4—both Silver-Java Pacific Line; Arna (does not call at East London, Colombo, Calcutta or Madras), North Pacific Shipping Co. Ltd., early December.

*To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.*—Hoyanger, Nov. 25; Leikanger, Dec. 24—both Empire Shipping Co.

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**Note.**—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.

910 **CONDENSED LIST OF PUBLICATIONS ISSUED BY THE DEPARTMENT  
OF TRADE AND COMMERCE**

Applications for publications in this list, together with remittances therefor, should be addressed to the King's Printer, Government Printing Bureau, Ottawa, marked "Attention Chief Clerk of Distribution."

**GENERAL**

**Annual Report of the Department of Trade and Commerce.**—A review of the salient features of Canada's export and import trade and a summary of the activities of each of its Branches, including the Commercial Intelligence Service; Foreign Tariffs Division; Dominion Bureau of Statistics; Board of Grain Commissioners; Weights and Measures Inspection Service; Electricity and Gas Inspection Services; Publicity; Government Motion Picture Bureau; Exhibition Commission; Steamship Subsidies; Precious Metals Marking Inspection; also a statement of Revenue and Expenditure. (Price 25 cents.)

**Annual Report of the Board of Grain Commissioners.**—The administration of the Canada Grain Act during the calendar year, including reports of such officers as the Registrar, Chief Inspector, Chief Weighmaster and General Manager of the Canadian Government Elevators, prepared in accordance with Section 23 of the Act. (Price 25 cents.)

**Annual Report of Electricity and Gas Inspection Services.**—A summary of the work of these services with statistics of revenue and expenditure, as also statement showing meters, electrical energy generated for export, and lists of companies registered under the Electricity Inspection Act. (Price 25 cents.)

**Annual Report of Dominion Grain Research Laboratory.**—Details of investigations carried out in the Laboratory relating to qualities of Canadian wheat; also investigations on inquiries to further the sale of Canadian wheat and flour; milling and baking characteristics of the last crop; various forms of co-operation with Universities, Experimental Farms and other Government institutions, producers, milling and grain organizations in Canada and abroad; investigations relating to grading system, etc. (Price 10 cents.)

**Annual Report of Weights and Measures Inspection Service.**—Summary of the work of this service with statement showing revenue and expenditure; weighing machines, measures of capacity, measuring devices and lineal measures, etc., inspected in each district. (Price 10 cents.)

**Catalogue of Motion Pictures.**—List of all films available in the Government Motion Picture Bureau, with title and brief description. It is in loose leaf form, in order that revision may be made from year to year. (Price 25 cents.)

**List of Grain Elevators.**—Details of all Grain Elevators in Western and Eastern Divisions, also licensed grain commission merchants, track buyers of grain and grain dealers, and summary of grain loading platforms in Western Division. (Price 50 cents.)

**PUBLICATIONS OF THE COMMERCIAL INTELLIGENCE SERVICE**

**Commercial Intelligence Journal.**—Published weekly in English and French, containing reports of Trade Commissioners and other commercial information. The annual subscription in Canada is \$1 and outside Canada, \$3.50.

Publications of the Commercial Intelligence Service are compiled with a view to furnishing Canadian exporters with information respecting the possibilities for the sale of Canadian goods abroad, the nature of the competition to be encountered, Customs requirements, etc., and are not intended for general distribution. The publications available include leaflets giving Invoice Requirements and a series on Points for Exporters, both covering countries included in the territories assigned to Trade Commissioners.

From time to time special reports are issued separately, which subscribers to the Commercial Intelligence Journal are entitled to receive free of charge. In all other cases their distribution is controlled by the King's Printer, who fixes a price therefor.

**PUBLICATIONS OF THE DOMINION BUREAU OF STATISTICS**

The following is an abbreviated list of publications of the Dominion Bureau of Statistics:—

**Census of Canada.**

**Miscellaneous Statistics** respecting the following: Business; Education; Employment; Finance (Provincial and Municipal); Justice; Transportation, including railways and tramways, express, telegraphs, telephones, water, etc.; Production, including agriculture, furs, fisheries, forestry, mining, construction and manufactures; Vital: births, deaths, marriages, divorces.

**Canada, 1937.** (Price 25 cents.)

**Canada Year Book.** (Price \$1.50.)

**Report of the Dominion Statistician, Annual.** (Price 10 cents.)

**Trade (External), (Imports and Exports)—Annual Reports: Fiscal Year** (price \$3), **Calendar Year** (price 50 cents); **Quarterly Report** (price \$2 per annum); **Monthly Report** (price \$1 per annum).

**Trade (Internal), Prices, cost of living, capital movements, etc.** (Price 50 cents.)

**Monthly Review of Business Statistics.** (Price \$1 per annum.)



# COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

## CANADIAN GOVERNMENT TRADE COMMISSIONERS

### Argentina

J. A. STRONG, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

### Australia

*Sydney*: L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh Streets. (Territory covers Federal District of Canberra, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

*Melbourne*: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building, Melbourne. (Territory covers States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

### Belgium

YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

### Brazil

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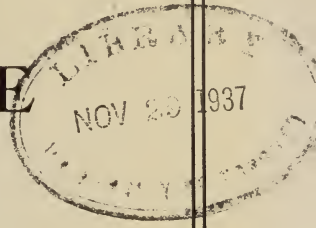
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**Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.**



# COMMERCIAL INTELLIGENCE JOURNAL



Vol. LVII

Ottawa, November 27, 1937

No. 1765



Discharge End of Equipment for the Artificial Drying of  
Young Grass in England

ISSUED BY AUTHORITY OF  
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE  
JAMES G. PARMELEE, DEPUTY MINISTER

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Vol. LVII

Ottawa, November 27, 1937

No. 1765

## MILK BARS IN LONDON<sup>1</sup>

H. L. BROWN, ASSISTANT TRADE COMMISSIONER.

London, November 10, 1937.—For several years an advertising campaign for the greater use of milk has been in progress in the United Kingdom. The public was therefore not unprepared for the opening in quick succession of a fair number of milk bars beginning about two years ago and still continuing. With the background of continuous advertising of milk and by offering clean, prompt and relatively inexpensive service, the milk bars found a ready popular acceptance that gives every indication of continuing.

The problem of obtaining food cheaply and quickly is one encountered by workers in all large centres. In London and other cities the solution is found in chain restaurants, small side-street eating-houses and snack bars; a few quick-lunch counters and restaurants have also been established recently. The milk bars, in addition to supplying the between-hours demand, are also catering to the lunchers by offering hot milk soups, etc., thus obtaining sales all the year round and in some cases during twenty-four hours a day. It is not considered, however, that the milk bars are noticeably interrupting the business of the other food agencies but rather are mainly catering to the large numbers who previously carried their lunches or otherwise made provision for themselves.

## NUMBERS IN OPERATION

Statistics recently supplied by the Milk Marketing Board indicate that there are 338 milk bars operating in England and Wales, and in addition there are 414 similar bars in cafes, dairy shops, soda fountains,<sup>2</sup> etc., and a further 139 in department and chain stores, while there are 36 mobile milk bars and 14 in moving picture houses. The total of all milk bars and similar agencies selling milk drinks is therefore 941, of which 174 or about 18½ per cent are found in the Greater London area. While the total is not outstandingly large, it is impressive in view of the short period of development; nor has that development ceased. It is of interest, too, that the growth has been throughout the country and has by no means been confined to London.

## PUBLIC HEALTH REGULATIONS

The pure food laws of the United Kingdom apply, of course, to all articles sold for consumption in the country, whether they are of domestic or overseas origin. In general the tendency appears to be toward restriction rather than expansion in the use of preservatives. A preservative is officially defined as "any substance which is capable of inhibiting, retarding or arresting the process of fermentation, acidification, or other decomposition of food or of masking any

<sup>1</sup> See also "Soda Fountain Trade in England," published in *Commercial Intelligence Journal* No. 1625 (March 23, 1935).

<sup>2</sup> There are probably some hundreds more soda fountains in business which could serve milk drinks.

of the evidences of putrefaction but does not include common salt (sodium chloride), saltpetre (sodium or potassium nitrate), sugars, lactic acid, acetic acid or vinegar, glycerine, alcohol or potable spirits, herbs, hop extract, spices and essential oils used for flavouring purposes or any substance added to food by the process of curing known as smoking."

It is provided that no person shall manufacture, import or sell any article of food which contains any added preservative, except that the articles of food specified in the following (partial) list may contain preservative of the nature and in the proportion noted.

Sulphur dioxide includes sulphites, which shall be calculated as  $\text{SO}_2$ , and benzoic acid includes benzoates, which shall be calculated as  $\text{C}_6\text{H}_5\text{COOH}$ . The numbers are those used in the official regulations:—

4. Unfermented grape juice and non-alcoholic wine made from such grape juice: benzoic acid, 2,000 parts per million.

5. Other non-alcoholic wines, cordials, and fruit juices, sweetened or unsweetened: either sulphur dioxide, 350 parts per million, or benzoic acid, 600 parts per million.

7a. Fruit and fruit pulp, not intended for jam: sulphur dioxide, 350 parts per million.

14. Sweetened mineral waters: either sulphur dioxide, 70 parts per million, or benzoic acid, 120 parts per million.

No statement is required on the label as to the presence of preservatives in syrups.

The following colouring matters may not be added to articles of food:—

1. Compounds of any of the following metals: antimony, arsenic, cadmium, chromium, copper, mercury, lead, zinc.

2. Gamboge.

3. The following coal tar colours: picric acid (carbazotic acid), Victoria yellow (saffron substitute; dinitrocresol), Manchester yellow (naphthol yellow; martius yellow), aurantia (Imperial yellow), aurine (rosolic acid; yellow coralline).

### EQUIPMENT AND SUPPLIES

All the standard forms of equipment such as cooling and warming systems, glassware and crockery, linen and uniforms, etc., are all available from manufacturers and established importers or branches of foreign companies which have been supplying similar trades during past years. Some sales companies provide free or sell or hire at nominal prices the equipment used with the supplies they sell. Generally speaking, it is doubtful that imported equipment is used to any great extent, although a fair but steady business might be found for moderately priced equipment of good quality.

As is to be expected, supplies are also obtained largely from local sources and, in a highly industrialized country such as the United Kingdom, a substantial part of the necessary materials are produced within the country. In fact, local supplies offer a good profit to the bars and it is unlikely they would be willing to change without compensating advantages. Nevertheless, a moderate proportion is of imported origin, particularly those items such as certain fruit juices, etc., which can be obtained more readily or more cheaply abroad. There is, too, a fair sale of fruit juices to outlets other than milk bars, in which cases extensive advertising is usually essential.

### FLAVOURINGS

In general it may be noted that, due partly to the direction of growth in the soft drink trade, and due partly to the liberal nature of the public health regulations, there has been a strong tendency toward the continued use of synthetic flavourings. These are produced cheaply and are apparently satisfactory to the consumers. There is consequently little incentive to the retailer, whether of milk drinks or other non-alcoholic drinks, to use the more expensive flavourings; a difference of a half-penny a glass is important to the retailer.



There is also a fairly large production of natural fruit juices mainly from United Kingdom produce<sup>1</sup>, for example, strawberries. The natural juice is perhaps finding an increasing consumption, but generally speaking crushed fruits and concentrated fruit syrups are still relatively unimportant in comparison with the synthetic flavourings used. The soda fountains operate almost entirely on synthetic drinks and the milk bars use more or less equal quantities of synthetic flavourings and natural juices. Obviously, milk bars require flavourings which will readily mix with milk and not curdle; many of the local products are satisfactory in this regard. All the well-known flavours are in demand, such as vanilla, strawberry, raspberry, caramel, coffee, pineapple, lemon, and orange; it is difficult to say which are the most popular. Other flavours find but small demand.

The container used is of little importance, but there seems to be a preference for 1-gallon returnable glass jars. Imported fruit juices are frequently sold in the standard 2½ can, lacquered when necessary. Supplies imported in larger containers would have to be rebottled on arrival.

In conclusion, it may be observed that the present rather limited market, in the face of competition offered from firmly entrenched local sources, renders it exceedingly difficult for new firms to secure a place in the United Kingdom market unless they are prepared to go into the project thoroughly and to spend a reasonable sum of money in their endeavour.

## OUTLOOK FOR BRITISH SHIPPING

FREDERIC HUDD, CHIEF CANADIAN TRADE COMMISSIONER IN THE  
UNITED KINGDOM

London, November 5, 1937.—The annual report of the operations of Lloyd's Register of Shipping for the year ending June 30, 1937, has just been published. It records a marked improvement in the shipping position. Freights which for so long have remained unremunerative to the shipowner have risen sharply during the past twelve months. This has naturally resulted in a corresponding increase in the value of vessels, many of which, after having been laid up for some considerable time, have been recommissioned and put into service.

While the present world-wide demand for tonnage is no doubt in part caused by the armament programs of various countries, there has at the same time been a welcome expansion, however small, in overseas international trade.

The liner business has shared in this general prosperity, but perhaps more by reason of the disappearance of surplus tonnage than by the improved rates of freight. The slight increases from year to year in world passenger traffic have, however, not yet reached such a level as might encourage liner companies to proceed further with their shipbuilding programs at the present high scale of cost. This high cost is partly the result of the shortage of building material owing to the requirements of various governments in connection with armaments, and has also been accentuated by the rapid increase in the demand for new tonnage. Not only the price, but the further disability of slow delivery is naturally militating against the placing of new orders.

It may be confidently anticipated, however, in the opinion of Lloyd's, that as soon as the acute position thus created has diminished shipbuilding yards may expect to benefit from orders placed both by liner and tramp owners.

## NEW VESSELS COMPLETED

During the twelve months ended June 30 last Lloyd's classification was assigned to 484 new ships of 1,355,680 tons gross. These figures represent

<sup>1</sup>See "New Fruit Juice Industry in the West of England," published in *Commercial Intelligence Journal* No. 1697, dated August 6, 1936.

approximately 60 per cent of the world tonnage finished during the period, and again show a satisfactory increase over those of the past few years. Of the amount quoted above, 734,480 tons were constructed in the United Kingdom and 621,200 tons in countries abroad. For purposes of comparison, the following table gives particulars of the tonnage actually completed and classed in recent years, and in 1913-14 (the record pre-war period):—

Year	Steam and Motor Tons	Sail and Non-propelling Tons	Total Tons
1913-14.. . . . .	2,014,397	5,788	2,020,185
1929-30.. . . . .	1,804,246	3,570	1,807,816
1930-31.. . . . .	1,734,089	24,521	1,758,610
1931-32.. . . . .	915,264	5,638	920,902
1932-33.. . . . .	447,150	2,601	449,751
1933-34.. . . . .	348,197	2,233	350,430
1934-35.. . . . .	752,200	3,114	755,314
1935-36.. . . . .	1,001,806	7,401	1,009,207
1936-37.. . . . .	1,335,883	19,797	1,355,680

#### VESSELS UNDER CONSTRUCTION

Lloyd's Register have calculated that at the end of June last there were 373 vessels of 1,751,231 tons gross under construction throughout the world with a view to the society's classification being assigned. Of this total, 1,052,606 tons were being built in the United Kingdom and 698,625 tons abroad.

#### TOTAL WORLD TONNAGE

The total tonnage of merchant vessels afloat at the end of June, 1937, holding the classification of Lloyd's Register was 30,816,955 tons gross. Details thereof are given in the following table:—

Material of Construction	Descrip- tion	Great Britain and Ireland		British Dominions		Other Countries		Total	
		No.	Gross Tonnage	No.	Gross Tonnage	No.	Gross Tonnage	No.	Gross Tonnage
Steel and iron	Steam and motor	4,220	13,179,606	528	1,382,941	3,803	16,135,518	8,551	30,698,065
	Sail	159	50,478	12	6,047	94	61,125	265	117,650
Wood and composite	Steam, motor and sail	5	561	2	445	1	234	8	1,240
Total .. . . .		4,384	13,230,645	542	1,389,433	3,898	16,196,877	8,824	30,816,955

N.B.—Sailing vessels fitted with auxiliary power are included in the figures shown for steamers and motorships.

#### GRASS DRYING DEMONSTRATION IN THE WEST OF ENGLAND

L. H. AUSMAN, ASSISTANT TRADE COMMISSIONER

Bristol, October 25, 1937.—The artificial drying of fresh young grass and other crops, to which reference has already been made in *Commercial Intelligence Journal* No. 1692 (July 4, 1936) and No. 1744 (July 3, 1937), continues to arouse keen interest in agricultural circles throughout the United Kingdom. As previously pointed out, there are now a number of manufacturers of drying equipment in the market and advantage is taken from time to time to demonstrate to local farmers the various machines and latest developments in grass drying. One such demonstration has just taken place at a farm in North Perrott, Somerset, where an installation has been producing satisfactory results.



No attempt will be made here to describe the features and method of operation of this particular drier, but descriptive literature is on file in the Department of Trade and Commerce, Ottawa, for the information of interested readers.

#### FEEDING VALUE

There is also on file a report entitled "The Feeding of Dried Grass—A Preliminary Experiment," by the Agricultural Education Sub-Committee of the Hereford County Council, which shows the result of the feeding of dried grass to cattle during the winter of 1936-37. The data collected were submitted to the Agricultural Economics Department, University of Bristol, for statistical examination. The experiment is said by this body to have demonstrated that dried grass can effectively displace a high proportion of the concentrated food normally fed to dairy cows. Further information on this subject is contained in the recent report<sup>1</sup> of the Agricultural Research Council.

#### GRASS MEAL

An interesting feature of the demonstration at North Perrott was the fact that the production of dried grass on this farm is normally sold in the form of meal rather than as baled grass. It is estimated that of the 10,000 tons of grass dried in England in the 1936 season about 4,000 tons were ground into meal and sold to animal food manufacturers principally for mixing with pig and poultry mash. The grass meal is used in many cases to replace cod-liver oil as it contains all the vitamins to be found in the oil. It is said that very often the vitamin A in cod-liver oil is retained only for a short time, and that it may have been lost by the time the animal gets the food. The carotene which constitutes the vitamin A potency in dried grass, on the other hand, is retained more or less indefinitely.

#### PRICES AND MARKET FOR DRIED GRASS AND MEAL

Generally speaking, the feedstuffs manufacturers are at present paying from £9 to £11 per ton for dried grass meal. The grass in bale form is realizing prices ranging from £8 5s. to £10 5s. per ton.

While the potential market for dried grass in bales is much larger than for meal due to the fact that in that form it is a direct food for dairy cattle, bulls, horses, etc., its use as meal is now relatively high because manufacturers of animal foods have been quicker to realize its value than the average farmer who would feed it in bale form to his stock.

Samples of dried grass and meal are available for inspection at the Department of Trade and Commerce, Ottawa.

### GLASGOW HOUSING AND HEALTH EXHIBITION

J. M. BOYER, ASSISTANT TRADE COMMISSIONER.

Glasgow, November 9, 1937.—The Glasgow Housing and Health Exhibition, an annual event sponsored by the civic authorities, was held this year from September 29 to October 23 at Kelvin Hall. Canadian representation at this exhibition was arranged as usual by the Canadian Government Exhibition Commission which erected and supervised an attractive group of stands for the use of private exhibitors as well as for a general display of Canadian products and the sale of samples of Canadian food products.

This year, individual exhibitors occupied about half of the Canadian Section, displaying foodstuffs, washing machines and other domestic appliances. The remainder of the section was used by the Canadian Government to display

<sup>1</sup> *Grass Drying* by E. J. Roberts, Stationery Office, London. Price 2s. net.

timber and minerals, and for the sale of samples of numerous varieties of food products. In addition, interest was added to the timber exhibit by two pictorial representations of Canadian logging operations, one showing Eastern, the other Western methods.

This year, probably due to the nearness of the forthcoming Empire Exhibition (Scotland) 1938, there were only six private exhibitors in the Canadian Section as compared with thirteen in 1936 and eleven in 1935. All private exhibitors, however, were well pleased at having participated and, on the whole, found results exceeded those of last year. The Canadian Government sale of food samples was increased to a total of 42,160 individual samples of representative Canadian products as compared with 39,361 in 1936. Private exhibitors of foodstuffs have been enabled, as a result of this exhibition, to market new lines in Scotland, and exhibitors of washing machines and other household appliances made substantial sales direct to the public.

As in the past, the Canadian Section at the Kelvin Hall Exhibition provided a medium for bringing Canadian products to the attention of the consumer in the most effective way. As a result of Canada's continued successful participation in this Exhibition, the Glasgow public have come to look upon the Canadian Section as an interesting and attractive feature of the show.

## ECONOMIC CONDITIONS IN SOUTH AFRICA, JANUARY TO SEPTEMBER

J. C. BRITTON, ASSISTANT TRADE COMMISSIONER

Johannesburg, October 20, 1937.—The Union of South Africa continues to offer an expanding market to overseas exporters despite the rapid growth of domestic industries. Indicative of the prosperity being enjoyed, imports from overseas for the first nine months of 1937 exceeded those for the corresponding period of 1936 by a considerable margin. Exports also increased, but owing to the proportionally larger increase in imports, the favourable balance of trade was not as large as that noted for the period ended September 30, 1936. Records are still being established in the value of both exports and imports, and there is every prospect that the total combined volume of the Union's exports and imports in the calendar year 1937 will exceed £200,000,000 for the first time.

Business generally was active at the close of the nine-month period. Both retail and wholesale organizations enjoyed a steady volume of business. Retail dealers in the maize and citrus areas recorded brisk trading conditions, but trading was quiet in the other rural districts. Drought conditions continue to prevail and have affected growing crops and cattle in many districts. This condition was alleviated somewhat by slight rains in September, but drought conditions still affect many centres. Industry is active, and building and construction is at a satisfactory level. Railway earnings show increases over previous record figures.

### EXTERNAL TRADE

According to a report of the Department of Customs and Excise, overseas imports were valued at £76,227,369 for the first nine months of 1937, an increase of £13,231,369 over the amount £62,996,000 noted for the same period in the previous year. Exports increased from £85,531,752 in the period ended September 30, 1936, to £92,556,710 for the same period in 1937. The favourable visible trade balance declined from £22,000,000 for the first nine months of 1936 to £16,329,341 in 1937. Gold accounted for £61,230,239 of the total exports, wool for £9,380,860, and general merchandise for £5,324,758.



## INDUSTRY

The domestic motor-car assembly factories were working on a normal basis. Sales of new cars have decreased slightly, but sales and prices of used cars have improved somewhat. The following table shows the registration of new motor vehicles in the Union of South Africa for the first six months of 1937 and 1936:—

	1937 Jan.-June,	1936 Jan.-June,
Cars . . . . .	24,738	23,215
Lorries and buses . . . . .	4,712	3,754
Cycles . . . . .	1,307	1,345
	<hr/> 30,757	<hr/> 28,314

The boot and shoe industry was not working at full capacity during August, but increased activity was reported towards the end of the month. Demand for furniture was steady from both manufacturing and retail sources. The paint and varnish industries have satisfactory orders in hand, despite a slight decrease in volume of sales. Drought conditions, together with increased quotations by overseas manufacturers, account for reduced volume of sales of agricultural implements.

The South African Iron and Steel Industrial Corporation, Ltd., during the quarter declared an interim dividend of 3 per cent for the current financial year ending June 30, 1938. This is the first dividend to be paid by this corporation and indicates the progressive and rapid development in this industry, which was only started in 1934. Manufacturing profits of the corporation increased from £436,665 for the year ended June 30, 1936, to £669,279 for the year ended June 30, 1937. Heavy mill production amounted to 205,079 tons and 233,723 tons respectively in the same two periods.

Industries continue to be established in the Union, and the Cable Makers Association of the United Kingdom recently announced the proposed construction of a plant from which it is hoped, at the end of twelve months, to supply the entire requirements of the Union of South Africa and of Rhodesia for standard lines. This factory is to be erected at Benoni, a few miles from Johannesburg. The National Carbon Company (Pty.) Limited have completed the construction of their factory at Port Elizabeth.

## AGRICULTURE

The agricultural situation in general has been affected by the prolonged drought. A sudden fall in temperature early in September also damaged fruit trees and resulted in loss of sheep. Grazing has been scarce and the condition of livestock has suffered. Due to increased consumption, exports of butter have been curtailed. In fact, the Dairy Industry Control Board have sanctioned the importation of a quantity of butter from overseas to obviate the possibility of a shortage. Harvesting of the maize crop has been practically completed. Exports of maize from July to September 4 amounted to 3,968,819 bags compared with 135,537 bags for the same period in 1935. The volume of maize business was restricted throughout August as a result of declining overseas prices, but a slight improvement was noted at the beginning of September. The new season's wool sales were held in the early part of September and prices ruling were higher than at the opening sales held one year ago. The prices were not up to the closing quotations in June. The 1937-38 season's clip is estimated by the Department of Agriculture to be 900,000 bales, weighing 276,900,000 pounds.

The 1937-38 wheat crop is estimated at 3,610,000 bags, a decrease of 1,213,000 bags or 25.15 per cent compared with the estimated production for 1936-37. The decrease is attributed to the combined effects of wheat lice and

drought. General rains in the Orange Free State and the Transvaal would improve the position.

### MINING

According to statistics issued by the Government Mining Engineer, the forty-eight large gold-producing mines crushed 4,383,960 tons of ore for a recovery of 971,176 ounces valued at £6,749,675 during August. These figures compare favourably with 997,013 ounces, amounting to £6,954,168, for the month of July, which established a record value. Exports of diamonds for the first eight months of 1937 were valued at £2,546,451 compared with £2,229,704 for the same period in 1936. Asbestos production for the month of July amounted to 2,441 tons of 2,000 pounds compared with 2,105 tons for July, 1936. Coal exports for the first six months of 1937 were valued at £234,444, a decrease compared with £299,899 for the corresponding period in the previous year.

## MARKET FOR BOX SHOOKS AND COOPERAGE STOCK IN THE EASTERN GROUP OF THE BRITISH WEST INDIES AND BRITISH GUIANA

G. A. NEWMAN, ASSISTANT TRADE COMMISSIONER

Port of Spain, Trinidad, October 18, 1937.—Though the market for cooperage stock in the West Indies is an old and established one, being closely bound to the primary West India export products of molasses and rum, there have been numerous developments in recent years that have tended to limit the trade for the older types of containers and increase the variety of cooperage stock required. The trade in box shooks has developed and it is, in turn, being limited in some channels by the introduction of the modern cardboard containers.

In 1936, barrel stock and box shooks to the approximate value of \$335,803 were imported into the Eastern Group of the British West Indies, of which the United States supplied approximately 64·2 per cent, Canada 34·2 per cent, and the United Kingdom and Scandinavia the remainder.

The high percentage accorded to the United States is accounted for almost entirely in the shipment of white oak staves and heads for the manufacture of rum containers, for which no other suitable wood has been found, and in the shipment of gumwood barrel stock for the manufacture of molasses barrels. One notable exception to this is the importation of ash staves into Trinidad from the United States for the manufacture of slack barrels for refined asphalt.

Slack barrels for shipment of green limes to the United States are also made from United States staves in order that the fruit barrels may receive the preference accorded to containers of United States origin.

Nearly all the other types of containers used in the British West Indies, and especially boxes, are supplied by Canadian shippers.

### IMPORTS OF BARREL STAVES AND BOX SHOOKS

The following table of imports for 1936 of barrel staves and box shooks shows that the three major markets are Trinidad, Barbados, and British Guiana in the order mentioned. The smaller Leeward and Windward Islands, though controlling only a small share of the general imports, have in recent years provided a steady market for Canadian box shooks suitable for the manufacture of fruit and vegetable containers.

	Total	Canada	United States
Total . . . . .	\$340,409	\$115,088	\$220,715
Trinidad . . . . .	138,721	50,775	85,510
Barbados . . . . .	113,760	53,870	59,596
British Guiana . . . . .	71,100	1,443	69,657
Windward Islands . . . . .	16,828	9,000	5,952



The Leeward Islands of St. Kitts, Montserrat, Dominica, and Grenada are without published import statistics for staves and shooks, but it is estimated that these total about \$10,000.

### Trinidad

The predominant position of the United States shippers on the Trinidad market is shown in the 1935-36 import figures submitted below:—

	1936		1935	
	Quantity	Value	Quantity	Value
Shooks, Staves and Headings—Oak (white)—				
Total . . . . .	260,558	\$ 36,094	42,962	\$ 10,581
United States . . . . .	244,683	36,018	38,771	8,700
France . . . . .	208	866	1,800	60
United Kingdom . . . .	4,265	803	2,391	1,821
Canada . . . . .	4,200	368	.....	.....
Germany . . . . .	7,200	39	.....	.....
Oak (other sorts)—				
Canada . . . . .	250	37	207,000	7,086
Other sorts—				
Total . . . . .	6,054,991	102,590	7,657,896	100,816
United States . . . . .	4,542,605	51,492	6,940,990	65,382
Canada . . . . .	1,508,410	50,370	711,892	34,300
Sweden . . . . .	2,200	109	3,300	256
Other . . . . .	776	619	1,714	878

Stave shipments from the United States have suffered a steady decline since 1930 due to: (a) molasses exporters shipping crude molasses in tankers instead of puncheons since 1932; (b) decreased rum production during the depression years; and (c) decreased production of refined asphalt shipped in slack barrels made from second-grade ash shooks imported from the United States.

The latter trade accounts for most of the staves and shooks imported from the United States under the classification of "shooks, staves, and headings—other sorts." The remaining imports from the United States in this classification consist of a limited quantity of gumwood staves for green lime barrels and box shooks for citrus crates.

While imports of white oak staves have tended to decline, those of "shooks, staves, and headings—other sorts," have almost doubled in value since 1931, when they were listed at a value of \$56,020. Canada has steadily increased her share of the trade within this classification from 21.9 per cent in 1933 to 48.9 per cent in 1936.

### IMPORTS FROM CANADA

Imports from Canada consist largely of box shooks for the manufacture of kerosene crates; boxes or crates for bottled rum, bitters, bottled beer, canned grapefruit, soap, matches; and barrel staves for lard and sundry items. In fact it is reported that, with the exception of those major items which have been specifically mentioned, Canada receives all the box shook and stave trade in Trinidad.

Numerous efforts have been made in the past to secure for Canadian shippers a share of the asphalt barrel shook trade, which amounts to between 4,000,000 to 7,000,000 staves per year. Hitherto all purchases have been made through the local mining company's buying office in the United States, where second-grade ash staves have been available at moderate prices. This and the necessity for a stave which will withstand high temperatures during the filling process without warping or buckling have proven the two main difficulties for interested Canadian exporters. Detailed specifications for the staves required are available at the Department of Trade and Commerce, Ottawa.

Box shooks for citrus crates are imported from the United States by the local Citrus Growers' Co-operative Association. The American gumwood is considered to be better adapted for use in the nailing machine operated by the

association than the harder Canadian woods tested to date. Specifications of the citrus crates required are on file at the Department of Trade and Commerce, Ottawa.

While continually changing conditions in the trade are always opening new markets for box shooks, these two general trades appear to provide, at the moment, the two best outlets for Canadian staves and shooks if the difficulties mentioned in reference to them could be overcome.

### Barbados

Canada has supplied since 1930 an average of 55 per cent of the barrel staves and box shooks imported into Barbados, the remainder of the imports being obtained almost entirely from the United States.

Staves and Shooks—	1934	1935	1936
Total . . . . .	£38,496	£47,705	£23,700
United Kingdom . . . . .	1,243	37	61
Canada . . . . .	23,589	29,234	11,223
Trinidad . . . . .	36	.....	.....
United States . . . . .	13,617	18,429	12,416

Rum, fancy molasses, unsweetened cakes and bread, and vegetables, mainly tomatoes, are the major items for which wooden containers are required.

White oak staves and heads for rum puncheons, and gumwood staves for fancy molasses barrels and half-barrels, comprise the bulk of the imports from the United States. Canadian birch staves are imported for the manufacture of molasses puncheons, and other staves and box shooks from Canada for the manufacture of cake barrels and vegetable boxes.

### EXTENT OF TRADE

The fancy molasses trade has recorded exports in 1936 of 7,218,593 gallons, 73 per cent of which was consigned to the British North American countries (Canada and Newfoundland). This affords a market of major interest to Canadian stave shippers.

According to unofficial statistics, there were used in 1936 50,159 puncheons, 38,200 barrels, and 18,311 half-barrels.

The barrels and half-barrels were manufactured mainly by one important cooperage company in Barbados. Hitherto, American gumwood had been purchased for this purpose on the ground that it has been difficult to obtain from Canada the thoroughly seasoned staves necessary in the rapid mechanical construction of the barrels. Canadian birch staves are used, however, by the private cooperages which cure them for several months in their lofts pending the manufacture of puncheons during the closed shipping season.

### TARIFFS

The use of Canadian birch is encouraged in this trade by the operation of a British preferential tariff of 5 per cent ad valorem, compared to a general tariff of 15 per cent, both being subject to a surtax of 10 per cent of the duty.

Full specifications of molasses puncheons, barrels, and half-barrels are available at the Department of Trade and Commerce, Ottawa.

### British Guiana

Rum is the main product exported from this market. There is a tariff of 2 per cent ad valorem British preferential and 3 per cent general. Of the staves and shooks imported into British Guiana in 1936 to the value of \$71,000, \$69,657 was credited to the United States. The remaining shooks to the value



of \$1,443 were imported from Canada for the manufacture of boxes for bottled rum, soap, and sundry other small items.

### Leeward Islands

The following table of products exported from the Leeward Islands in 1935 shows the wide range of items for which staves and shooks are required:—

	St. Kitts	Montserrat	Dominica	Antigua
Molasses . . . . .	£6,232	£ 319	.....	£3,878
Limes . . . . .	13	1,742	£6,123	57
Lime juice . . . . .	.....	3,416	2,002	305
Lime oil . . . . .	.....	344	7,433	448
Rum . . . . .	.....	.....	1,428	293
Oranges . . . . .	.....	.....	5,773	.....
Tomatoes . . . . .	120	2,732	.....	.....
Vegetables . . . . .	413	1,183	.....	.....
Grapefruit . . . . .	.....	.....	2,596	.....
Vegetable oils . . . . .	.....	.....	3,770	.....
Mangoes . . . . .	16	.....	1,363	.....

Prospects for Canadian shippers are limited to the supply of box shooks for citrus fruits and vegetables. Molasses is shipped by tankers from St. Kitts, and while there is a small amount exported in barrels from the adjoining island of Nevis, this is shipped in barrels provided by the importing company in the United States. Because of its corrosive nature, lime oil is exported in specially prepared tins imported from the United Kingdom in their own wooden crates. As limes are mostly exported to the United States, they are packed in barrels of United States manufacture in order to obtain the United States tariff preference allowed for containers of United States origin.

In the citrus fruit and vegetable trade, however, Canada supplies most of the shooks required for the various crates and boxes, their use being encouraged by the various governmental marketing depots which have been organized during the past few years for the development of proper grading and packaging of agricultural products.

Specifications of the tomato lugs and citrus crates required are available at the Department of Trade and Commerce, Ottawa.

### Windward Islands

In 1935-36 the Windward Islands of St. Vincent, St. Lucia, and Grenada imported shooks and staves to the value of about £3,506. Canada is credited with £1,875 and the United States with £1,240.

Canadian staves and shooks shipped to the island of St. Vincent were largely for use by the local Co-operative Arrowroot Association. United States barrels are used by this association for the shipment of arrowroot to the United States, but all other shipments to the United Kingdom and Canada are made in containers manufactured from Canadian staves.

The remaining staves and shooks to the value of £400 shipped from Canada were imported into St. Lucia and consisted largely of box shooks for citrus fruit crates and vegetable boxes.

Molasses, limes, lime oil, honey, and bay rum are exported in considerable quantities from St. Lucia in addition to citrus fruits and mangoes, but molasses is exported in ready-made barrels, imported from Barbados, and limes and bay rum in containers of United States origin.

Grenada as a market for Canadian staves and shooks offers the least possibility of all the Leeward Islands. Nutmegs packed in bags and mace packed in special plywood containers obtained from Scandinavia are the main products of export of the island.

## Duties

	British Preferential Tariff	General Tariff
Trinidad and Tobago:		
Shooks, staves and headings of oak . . . . .ad val.	2½%	12½%
Shooks, staves and headings, other kinds . . . . .ad val.	5%	15%
Shooks, staves and headings of white oak for the manu- facture of rum puncheons, tierces, hogsheads, barrels and casks . . . . .	Free	Free
Shooks, staves and headings of all kinds used in packing the agricultural products of the colony . . . . .ad val.	Free	10%
Surtax: 15% of the duty		
Barbados:		
Staves and shooks . . . . .ad val.	5%	15%
Headings . . . . .ad val.	9%	18%
Truss hoops . . . . .per set of 9	1s.	2s.
Surtax: 10% of the duty		
British Guiana:		
Shooks, bungs, wooden headings and wooden and iron hoops for making puncheons, hogsheads, or barrels for holding rum or molasses . . . . .ad val.	2%	5%
Shooks, wooden headings and wooden hooping for making barrels and drums, for holding locally manufactured biscuits . . . . .ad val.	2%	5%
Wood intended to be used solely in the manufacture of containers for goods of local manufacture or production ad val.	2%	5%

## TRADE OF BARBADOS IN 1936

G. A. NEWMAN, ASSISTANT TRADE COMMISSIONER

Port of Spain, Trinidad, November 2, 1937.—Barbados, an island of 166 square miles with an approximate population of 184,912 is, next to Trinidad, the most important of the markets for Canadian exports in the Eastern Group of the British West Indies. In general trade, however, it falls below both Trinidad and British Guiana.

The island is mainly dependent for its general revenue on the sale of agricultural products, largely derived from sugar cane. The 1936 sugar crop was the highest on record amounting to 129,319 tons of which 24,000 tons was manufactured into syrup. This heavy production was reflected in a marked increase in the value of the colony's staple exports during 1936 despite the fact that sugar prices were materially lower than in previous years.

## EXPORTS

Total exports in 1936 were valued at £1,493,335 as compared with £1,135,136 in 1935. The main commodities exported, with 1935 figures within parentheses, were: sugar, £772,046 (£330,550); molasses, £546,291 (£637,096); rum, £10,289 (£6,491); and cotton, £740 (£2,775).

Of the products thus exported in 1936, Canada is credited with 56·2 per cent (£759,195) and the United Kingdom with 32·2 per cent (£438,440). Estimated by volume, Canada is credited with 68·3 per cent of the molasses, 46·9 per cent of the sugar, and 9 per cent of the rum. Over 86 per cent of the fancy molasses, the largest single item of export, was consigned to Canada.

A source of unrecorded but increasing revenue to the Colony is the growing tourist trade.

## SHIPPING

As a distributing centre to the lesser islands of the Eastern Group of the British West Indies, Barbados is not only a port of direct call for sailings from Canada, the United States, South America, the United Kingdom, and the Continent, but is also the focal centre of an active inter-island schooner trade. Steamships numbering 610, with a total tonnage of 2,016,339 tons, and 532 sailing vessels totalling 32,377 tons, called at Barbados during 1936.



## FINANCE

As a result of favourable general conditions the financial affairs of Barbados remained in a satisfactory state during 1936; the accrued surplus for the year amounting to £190,000. The Public Debt, however, was increased by loans of £155,500 and £18,800 for constructional purposes, thereby bringing total indebtedness to £442,220 and increasing the annual payments for Interest and Sinking Fund from £14,350 to £23,298.

## LEGISLATION

To obviate any future difficulties arising over estimates of the demand for fancy molasses, a Molasses Stabilization Act was put into force for the 1936 season. The Act exercises control over the output and price of molasses. A tax of 1½d. per gallon is also levied on all the molasses produced, the amount thus obtained being distributed among the producers of sugar. The tax was effective last year in lessening the competition between the larger factories and those capable of producing only molasses.

## IMPORT TRADE

Total imports into Barbados in 1936 amounted in value to £2,004,484 compared to £1,840,783 in 1935. In 1936 the United Kingdom supplied 42·7 per cent of the total imports, Canada 14·1 per cent, other parts of the British Empire 18·5 per cent, the United States 10·4 per cent and other foreign countries 14·3 per cent. These percentage distributions have remained about the same for the past three years.

As in previous years, the United Kingdom was the leading source of supply for beverages, cotton piece goods and apparel, machinery of all kinds and hardware, edible oils, woollen manufactures, electrical apparatus, and soap. Most of these products have long been associated with the United Kingdom trade with the exception of electrical apparatus which is of more recent origin. Imports of electrical apparatus from the United Kingdom have increased from £8,334 in 1932 to £31,210 in 1936, which represents 75 per cent of total imports of such commodities.

Oilmeal (£31,473), pitch pine (£18,900), shooks and staves (£12,416), hardware (£10,254) and cornmeal (£10,211) were the major products obtained from the United States in 1936. Of these, hardware is of particular interest having increased in value from £2,057 in 1932 to £10,254 in 1936.

The value of goods imported from foreign countries in 1936, other than from the United States, amounted to £287,055. The principal imports from these foreign countries were as follows:—

*Argentina*.—Hams, bacons, salted and fresh meat, corn, etc., £67,936.

*Dutch West Indies*.—Crude oil and sheep manure, £22,248.

*France*.—Butter and flour, £37,195.

*Germany*.—Chemical manures (chiefly potash) and glassware, £45,775.

*Holland*.—Margarines and condensed milk, £25,603.

## IMPORTS FROM CANADA

While Canada's share of the total import trade of the Barbados remained at 14·1 per cent in 1936 as in 1935, the actual increase in value amounted to £24,867. Imports in 1936 amounted to £283,387 compared with £258,520 in 1935. Gains were recorded with only four or five exceptions, throughout the whole of the trade.

Of the major imports, flour from Canada registered an increase of £14,155 over 1935, representing 44 per cent of the total flour imports and reaching the highest point since 1932.

In packing house products, pickled pork imports from Canada increased in value by £8,596, thus continuing the upward movement which has character-

ized imports of this product since 1932. Pickled beef, increasing in value from £3 in 1935 to £1,043 in 1936, regained a position comparable with that of 1932 after an interval of two years when imports were almost nil. Bacons and hams, however, have tended to decline for the past few years and in 1936 continued the downward movement; imports from Canada were lower by £1,649 than in 1935.

One of the largest increases in the 1936 imports from Canada was an advance of £10,030 in undressed softwood. Douglas fir imports showed a moderate increase of £1,157, while its chief competitor, pitch pine from the United States, declined to the extent of £2,923. Canadian shingles showed a satisfactory advance of £5,851 to reach the highest point since 1932. Canada now supplies practically all the imported shingles used in the Colony. These advances were offset in some degree, however, by a drop of £18,011 in imports of shooks and staves from the Dominion. Shooks and staves from the United States, the only other supplier, declined by £6,013.

Other items which recorded a decline in value during 1936 were codfish, onions and potatoes. High prices during 1936 for onions and potatoes were no doubt accountable for the restricted imports. Codfish from Canada has for the past few years decreased steadily in the face of keen competition from Newfoundland.

One of the newer developments in Canadian trade with the British West Indies has been in textiles, mainly hosiery, cotton and silk wearing apparel and certain kinds of piece goods. These continued to gain a wider market in 1936, hosiery alone showing an increase in import value of £1,052 over 1935.

#### IMPORTS OF INTEREST TO CANADA

Further details of imports of interest to Canadian shippers are given in the following list of imports for 1936, the 1935 figures being given within parentheses:—

*Flour, Wheaten and Rye.*—Total, 62,512 bags (89,988 bags), £71,889 (£89,988): United Kingdom, \$30,319; Canada, £41,546 (£32,583).

*Flour and Meal for Biscuits.*—Total, 3,314,642 pounds (3,234,085 pounds), £38,946 (£38,000): France, £20,615; United Kingdom, £13,055; Canada, £5,015 (£137).

*Salt Pork.*—Total, 1,892,850 pounds (1,388,706 pounds), £37,857 (£27,774): United States, \$6,150; Canada, £27,017 (£18,421).

*Softwood, Undressed.*—Total, 4,548,767 feet (2,927,440 feet), £27,293 (£17,564): Canada, £26,987 (£16,957).

*Softwoods, Dressed.*—Total, 325,779 feet (129,519 feet), £2,443 (£970): Canada, £2,380 (£810).

*Oats.*—Total, 5,082,080 pounds (5,557,209 pounds), £17,363 (£18,060): Canada, £16,776 (£18,047).

*Douglas Fir, Dressed.*—Canada, 1,683,144 feet (1,503,976 feet), £12,623 (£11,280).

*Douglas Fir, Undressed.*—Canada, 627,804 feet (657,937 feet), £3,762 (£3,948).

*Pitch Pine, Undressed.*—Total, 1,383,788 feet (1,353,884 feet), £12,455 (£14,215): United States, £12,212; Canada, £243.

*Pitch Pine, Dressed.*—United States, 668,825 feet (691,648 feet), £6,688 (£7,608).

*Shingles.*—Total number 19,973,341 (9,040,700), £14,980 (£9,040): Canada, £14,742 (£8,891).

*Motor Cars.*—Total number 288 (300), £40,395 (£38,682): United Kingdom, £22,286; Canada, £14,658 (£12,841).

*Sulphate of Ammonia.*—Total, 6,621 tons (6,988 tons), £45,685 (£45,832): United Kingdom, £31,575; Canada, £13,800 (£17,583).

*Staves and Shooks.*—Total, £23,700 (£47,705): United States, £12,416; Canada, £11,223 (£29,234).

*Dried, Salted or Smoked Fish.*—Total, 56,637 quintals (47,223 quintals), £66,548 (£56,668): Newfoundland, £61,054; Canada, £5,272 (£10,717).

*Motor Trucks and Vans.*—Total number, 83 (61), £11,606 (£8,533): United States, £3,692; Canada, £4,507 (£3,189).

*Cheese.*—Total, 134,003 pounds (112,457 pounds), £5,025 (£4,217): United Kingdom, £331; Canada, £4,373 (£3,540).



*Machinery and Apparatus for Sugar.*—Total, £54,917 (£32,407): United Kingdom, £48,652; Canada, £3,805 (£1,775).

*Potatoes.*—Total, 2,595,651 pounds (3,830,957 pounds), £6,813 (£9,577): Canada, £3,735 (£7,658).

*Canned Fish.*—Total, £8,238 (£8,572): Japan, £2,761; Canada, £3,371 (£4,530).

*Tires for Trucks and Motor Cars.*—Total, £9,141 (£8,129): United Kingdom, £4,850; Canada, £3,179 (£2,869).

*Iron and Steel Nails and Rivets.*—Total, £4,612 (£5,239): United Kingdom, £1,219; Canada, £3,152 (£3,638).

*Farinaceous Preparations, other than Arrowroot.*—Total, £5,201 (£4,413): United Kingdom, £848; Canada, £3,132 (£2,111).

*Socks and Stockings.*—Total, 265,832 pairs (168,201 pairs), £8,506 (£5,569): United Kingdom, £4,142; Canada, £2,958 (£1,905).

*Shoes, Wholly or Partly of Rubber.*<sup>1</sup>—Total, 207,007 pairs (£12,796): Hongkong, £7,562; Canada, £2,530.

*Textiles, Apparel.*—Total, £46,357 (£34,726): Japan, £19,446; Canada, £2,502 (£2,266).

*Biscuits, Unsweetened in Tins.*—Total, 51,948 pounds (39,961 pounds), £2,597 (£1,998): Canada, £1,759 (£1,519).

*Paints and Colours.*—Total, 531,726 pounds (471,677 pounds), £13,291 (£11,792): United Kingdom, £10,481; Canada, £1,713 (£884).

*Cotton Manufactures and Apparel, excluding Piece-Goods.*—Total, £64,167 (£52,735): United Kingdom, £59,810; Canada, £1,600 (£254).

*Metal Furniture.*—Total, £10,717 (£9,064): United States, £4,708; Canada, £1,526 (£1,515).

*Wooden Furniture.*—Total, £5,641 (£5,208): United Kingdom, £1,551; Canada, £1,449 (£1,279).

*Onions.*—Total, 2,272,227 pounds (1,193,768 pounds), £5,678 (£8,612): Madeira, £1,571; Canada, £1,338 (£1,948).

*Medicines and Drugs.*—Total, £17,565 (£19,383): United Kingdom, £10,564; Canada, £1,284 (£1,097).

*Hay.*—Total, 293,253 pounds (173,377 pounds), £1,233 (£730): Canada, £1,228 (£708).

*Wrapping Paper.*—Total, £9,494 (£9,276): Holland, £2,670; Canada, £1,188 (£721).

*Cement.*—Total, 24,374 barrels (22,692 barrels), £13,405 (£12,481): United Kingdom, £12,010; Canada, £1,157 (£1,241).

*Salted Beef.*—Total, 1,648,093 pounds (1,626,212 pounds), £28,842 (£28,458): Argentina, £18,177; Canada, £1,043 (£3).

*Barrel Headings.*—Total, £5,977 (£6,686): United States, £4,962; Canada, £1,015 (£56).

*Implements and Tools*<sup>2</sup>.—Total, £20,787 (£14,823): United Kingdom, £11,852; Canada, £945 (£243).

*Confectionery.*—Total, £6,423 (£5,367): United Kingdom, £5,404; Canada, £697 (£757).

*Fresh Apples.*—Total, 489 barrels (490 barrels), £978 (£980): Canada, £682 (£572).

*Vegetables, Canned.*—Total, 36,259 pounds (30,519 pounds), £1,209 (£1,017): Canada, £646 (£581).

*Artificial Silk Piece-goods (over 1s. per yard first cost).*—Total, 114,230 square yards (£2,933 square yards), £23,888 (£6,959): United Kingdom, £20,780; Canada, £640.

*Fancy Soap.*—Total, £2,510 (£2,667): United Kingdom, £1,641; Canada, £623 (£549).

*Cordage.*—Total, 117,786 pounds (129,301 pounds), £2,060 (£2,262): United Kingdom, £1,406; Canada, £594 (£1).

*Beans and Peas.*—Total, 2,083,368 pounds (1,985,369 pounds), £13,021 (£12,471): United Kingdom, £3,803; Canada, £568 (£150).

*Shoes and Slippers.*—Total, 122,605 pairs, £29,118: United Kingdom, £26,612; Canada, £529.

*Glass Bottles.*—Total, £1,841 (£1,670): United States, £747; Canada, £509 (£30).

Other lesser Canadian imports for 1936 and 1935 respectively consisted of: Butter, £203 (£363); animal feeds, £404 (£247); poultry and game, £293 (£757); whisky, £462 (£360); tobacco, £343 (£644); lard and substitutes, £489 (£822); twine, £305; electrical apparatus, £420 (£333); brooms and brushes, £466 (£625); rubber sundries, £504 (£471); polish and varnishes, £455 (£884); printing paper, £360 (£271); cosmetics, £410 (£558).

<sup>1</sup> New classification—no comparative figures for 1935.

<sup>2</sup> Excluding agricultural tools.

## TRADE OF BRITISH HONDURAS IN 1936

F. L. CASSERLY, ACTING TRADE COMMISSIONER

### I. Imports

Kingston, Jamaica, November 12, 1937.—The total c.i.f. value of imports into British Honduras during the calendar year 1936 was \$3,272,833<sup>1</sup> as compared with \$2,676,795 in 1935 and \$1,912,375 in 1934. The cause of this substantial increase was a spurt in the colony's export trade (to be noted under that section of the present report), which enhanced purchasing power. Imports of some commodities declined, but these losses were more than offset by gains in other items.

### CHIEF INCREASES AND DECREASES

In 1936 the proportion of imports from British Empire countries was 38·81 per cent as compared with 41·11 per cent in 1935. The principal increases recorded were: United Kingdom, boots and shoes, cigarettes, lard, condensed milk, cotton piece-goods and cotton manufactures, machinery; Canada, cheese, mess pork, hams and bacon; Hongkong, wearing apparel; Argentina, meat, preserved in tins; Chile, beans and peas; Germany, machinery; Holland, cheese, condensed milk; Honduras, cattle; Japan, artificial silk piece goods; Mexico, asphalt, gasoline, mahogany logs; United States, cigarettes, tractors, tractor parts and trucks and trailers for mahogany or agricultural operations; radio sets and parts.

Countries from which imports decreased included: Belgium, railway rolling stock; Cuba, sugar machinery. Both of these items were inflated in 1935 and the figures for that year do not represent the annual average.

Imports of condensed milk from Canada, butter substitutes and alcohol from Holland, chicle from Mexico, and cotton piece goods from Japan declined. These decreases, with the exception of alcohol and chicle, were offset by increased importations of the same commodity from other countries.

In 1936 the value of government imports from the United Kingdom was \$137,684 compared with \$73,187 in 1935, an increase of \$64,497. Ignoring these imports there was an increase in United Kingdom imports of over 11 per cent in comparison with 1935.

The revenue from import duties in 1936 amounted to \$417,740 or \$68,345 more than during the previous year.

### NOTES ON THE IMPORTS

*Wearing Apparel.*—In 1936 imports of wearing apparel (viz., neckties and collars; shirts, vests, singlets and other items of men's underwear; and unspecified articles), were valued at \$69,734; the value in 1935 was \$55,301 and in 1934, \$56,972. Canada's share of this trade was \$4,180 in 1936; that of the United States \$21,469, of Hongkong \$17,311, of Japan \$12,124, and of the United Kingdom \$11,162. Imports from Hongkong were \$88 in 1934 and \$6,614 in 1935; from the United Kingdom respectively, \$5,964 and \$8,343; from the United States \$39,864 and \$19,584; and from Japan \$7,693 and \$15,131. In 1936 Hongkong was the largest and Japan the second largest supplier of shirts, vests, singlets and other articles of men's underwear.

*Footwear.*—Imports of boots, shoes and slippers showed in 1936 a considerable increase both in volume and value over those of 1935. This was chiefly due to the much larger purchases of leather boots and shoes from the United Kingdom, which has most of the trade. Total imports of leather boots

<sup>1</sup>The British Honduras currency is based on the United States gold dollar.



and shoes in 1936 were 4,223 dozen pairs valued at \$62,386, of which the United Kingdom supplied 3,825 dozen (\$53,949), the United States 169 dozen (\$3,911), and Canada 140 dozen (\$3,012). Included in these imports were insignificant quantities of leather or imitation leather shoes with rubber soles.

In boots and shoes entirely of rubber or with canvas uppers and rubber soles (imports are chiefly of the latter type), Canada continued to hold first place, Hongkong being, however, a fairly close second as to quantity. Total imports in 1936 were 4,381 dozen pairs (\$26,446), of which Canada supplied 1,832 dozen (\$13,067), Hongkong 1,243 dozen (\$5,911), and the United Kingdom, British India, British Malaya, and Czechoslovakia most of the remainder. Of total imports in 1935 amounting to 4,378 dozen pairs valued at \$23,621, Canada shipped 2,660 dozen (\$15,584).

*Cement.*—A glance at the imports of cement into British Honduras during the past five years is instructive. Total quantities, with values in parentheses, were as follows: 1932, 7,970 barrels of 400 pounds (\$14,870); 1933, 6,513 barrels (\$15,558); 1934, 669½ tons (\$11,652); 1935, 998¼ tons (\$11,864); 1936, 1,185½ tons (\$12,764). Imports from Canada during these years were respectively: 2,831 barrels (\$4,502); 1,325 barrels (\$3,726); 279 tons (\$4,790); 202 tons (\$3,060); and 25½ tons (\$362). Of the 1936 imports, all but 134½ tons were supplied by the United Kingdom.

*Cotton Piece Goods.*—Imports of cotton piece goods totalled 1,611,891 lineal yards valued at \$151,627, of which the United Kingdom supplied about three-quarters.

*Flour.*—Flour imports were slightly less in 1936 than in 1935. Although the United Kingdom continued to be the chief source of supply, imports from that country declined and those from Canada increased. On September 11, 1936, the import duty on foreign flour was reduced from \$1 to 75 cents per 196 pounds, the British preferential rate remaining at 25 cents. Although this tariff change (the only one made in 1936) did not effect larger imports of flour from foreign countries, there was an increase in clearances from bond of American flour for home consumption and a corresponding reduction in the quantity re-exported. Total imports of flour in the year under review were 33,704 bags of 196 pounds (\$167,629), of which the United Kingdom supplied 20,055 bags (\$97,430), Canada 13,049 bags (\$66,867), and the United States 574 bags (\$3,186). Imports from Canada in 1935 were 11,432 bags (\$54,596), and in 1934, 10,213 bags (\$48,706).

*Gasoline.*—Gasoline considerably increased in 1936, Mexico and the United States being the chief suppliers.

*Tobacco.*—Leaf tobacco again showed a decrease, caused by a falling off in the demand for leaf for local cigarette manufacture. Of this variety, imports from Canada were 18,021 pounds in 1935 and 3,064 pounds in 1936, total imports in these respective years being 33,249 pounds and 21,062 pounds. The United States was the largest factor in this trade in 1936; in 1935 she had yielded this position to Canada. Chewing tobacco was imported mainly from the former country. Imports of cigarettes totalled 17,723 pounds in 1936 and 5,369 pounds in 1935, notwithstanding competition from the locally made article. The United States had more than two-thirds of this trade and the United Kingdom the remainder.

*Sugar.*—During the year under review refined sugar was imported in the total quantity of 25,009 cwts. valued at \$53,762, of which the United Kingdom shipped 24,943 cwts. (\$53,417). Since 1933 the bulk of this fairly valuable business has been transferred from Canada to the United Kingdom.

*Lumber.*—Total imports of dressed lumber in 1936 were 79,323 cubic feet valued at \$38,440, of which the United States shipped 76,950 feet (\$36,926),

the United Kingdom 1,871 feet (\$1,247), and Canada 502 feet (\$267). Canada had about one-quarter of this trade in 1933; since then her share has progressively declined. The United States was the sole supplier of the 16,151 cubic feet of rough lumber (\$9,387) imported in 1936.

*Some Items from Canada.*—Aside from the articles mentioned in the following section, the following considerable items of Canada's import trade with British Honduras appear deserving of notice:—

Imports of butter from Canada increased from 121 cwts. (\$4,108) in 1935 to 149 cwts. (\$5,281) in 1936. Imports from Canada of other commodities in these years were respectively: motor cars and trucks, 18 units (\$11,943) and 16 units (\$10,181); cheese, 820 cwts. (\$13,648) and 910 cwts. (\$17,078); canned fish, 246 cwts. (\$3,038) and 452 cwts. (\$5,253); hardware, \$3,748 and \$4,506; hosiery, 1,083½ dozen pairs (\$4,261) and 589 dozen pairs (\$3,070); barrelled pork, 891 cwts. (\$11,840) and 1,739 cwts. (\$24,516); barrelled beef, 540 cwts. (\$6,233) and 695 cwts. (\$7,750); bacon and ham, 354 cwt. (\$8,811) and 548 cwts. (\$14,191); medicines and drugs, \$4,254 and \$4,830; iron and steel nails, 33½ tons (\$3,636) and 27 tons (\$3,204); sweetened condensed milk, 3,420 cwts. (\$38,691) and 892 cwts. (\$10,131); unsweetened condensed milk, 393 cwts. (\$3,412) and 243 cwts. (\$2,182); powdered milk, 60 cwts. (\$2,184) and 54 cwts. (\$2,043).

### DIRECTION OF TRADE

The following table shows the direction of the import trade of British Honduras during the past five years:—

From	1932		1933		1934		1935		1936	
	\$	Per Cent	\$	Per Cent	\$	Per Cent	\$	Per Cent	\$	Per Cent
United States . . . . .	815,093	35.41	623,900	37.57	684,776	35.84	746,257	27.88	950,397	29.03
Canada . . . . .	704,543	30.61	326,433	19.35	200,610	10.52	263,719	9.85	268,679	8.21
United Kingdom . . . . .	424,339	18.43	418,511	24.81	466,733	24.44	731,396	27.32	872,252	26.65
Other British Possessions.	42,146	1.83	48,578	2.88	49,675	2.62	135,370	5.14	129,463	3.95
Mexico . . . . .	92,297	4.01	78,978	4.67	284,344	14.81	528,529	19.74	734,273	22.43
Other foreign countries . . . . .	223,420	9.71	180,712	10.72	226,237	11.77	271,524	10.07	317,769	9.73
Total . . . . .	2,301,838	100.00	1,687,112	100.00	1,912,375	100.00	2,676,795	100.00	3,272,833	100.00

### PRINCIPAL IMPORTS FROM CANADA

These were boots, shoes and slippers (mainly of canvas with rubber soles), butter, motor cars and trucks, cheese, canned fish, flour, hardware, hosiery, barrelled beef and pork, bacon and ham, medicines and drugs (chiefly patent), iron and steel nails, condensed milk, and milk powder. Quantities and values of each are recorded above.

The cessation of imports of Canadian whisky for re-export is the main cause of the decline in Canada's share in the custom of British Honduras since 1932, as indicated in the above table. There have been no such imports since 1933, when they were valued at \$95,092. In 1932 their value was \$444,415; in 1931, \$966,720; and in 1930, \$841,596.

The chief imports from Mexico during the year under review were chicle gum, fuel and lubricating oil, and mahogany logs.

### IMPORTS BY CATEGORIES

Divided into the British Board of Trade categories, the import trade of British Honduras during the past five years appears as follows:—

	1932	1933	1934	1935	1936
Food, drink and tobacco . . . . .	\$1,179,924	\$ 713,735	\$ 646,351	\$ 826,411	\$ 923,464
Raw materials and articles mainly unmanufactured . . . . .	272,823	215,538	289,690	502,934	679,026
Articles wholly or mainly manufactured . . . . .	845,844	754,667	974,642	1,340,584	1,665,614
Miscellaneous <sup>1</sup> . . . . .	3,247	3,172	1,692	6,866	4,729
Total . . . . .	\$2,301,838	\$1,687,112	\$1,912,375	\$2,676,795	\$3,272,833

<sup>1</sup> Includes animals and birds not for food, and bullion and specie.



## Details of Principal Imports

### Class I—Food, Drink, and Tobacco

*Biscuits, Bread and Cakes (a) Sweetened.*—Total, 24,326 pounds (\$5,715): U.K., 18,799 pounds (\$4,528); U.S., 4,343 pounds (\$876); Canada, 660 pounds (\$161); Irish Free State, 524 pounds (\$150).

*(b) Unsweetened.*—Total, 58,748 pounds (\$9,138): U.S., 56,343 pounds (\$8,525); Canada, 2,405 pounds (\$613).

*Butter.*—Total, 480½ cwt. (\$16,136): Australia, 232 cwt. (\$7,609); Canada, 149 cwt. (\$5,281); U.K., 42 cwt. (\$1,426); New Zealand, 23 cwt. (\$756); Argentina, 21 cwt. (\$553); small remainder from Denmark, Lithuania and U.S. Butter substitutes were imported from the U.K. and Holland in the total quantity of 1,799 cwt. (\$18,682).

*Cattle and Other Animal Foods (a) Oats.*—Total, 587 cwt. (\$1,651): U.S., 325 cwt. (\$938); Canada, 262 cwt. (\$713).

*(b) Bran and Pollard.*—Total, 169 cwt. (\$374): U.S., 110 cwt. (\$260); Canada, 32 cwt. (\$80).

*(c) Poultry Food, Medicines and Supplies.*—Total, \$3,574: Canada, \$3,054; U.S., \$514.

*(d) Other Kinds.*—Total, 210 cwt. (\$499): U.S., 168 cwt. (\$401); U.K., 30 cwt. (\$64); Canada, 12 cwt. (\$34).

*Cheese.*—Total, 12,260 cwt. (\$24,301): Canada, 910 cwt. (\$17,078); Holland, 322 cwt. (\$6,555); Denmark, 18 cwt. (\$304); U.S., 8½ cwt. (\$320).

*Fish (a) Dried and/or Salted, Smoked or Pickled.*—Total, 306 cwt. (\$2,310): Norway, 147 cwt. (\$1,004); Denmark, 86 cwt. (\$657); Canada, 45 cwt. (\$310); U.S., 23 cwt. (\$293).

*(b) Canned or Preserved in Jars or Bottles.*—Total, 1,193 cwt. (\$13,329): Canada, 452 cwt. (\$5,253); Japan, 363 cwt. (\$3,387); U.S., 253 cwt. (\$2,800); Norway, 60 cwt. (\$766); Portugal, 50 cwt. (\$755).

*Fruit, Candied, Crystallized, Canned or Bottled.*—Total, 308 cwt. (\$3,922): U.S., 239 cwt. (\$2,786); U.K., 39 cwt. (\$676); Canada, 23 cwt. (\$328).

*Grain and Preparations Thereof (a) Wheat Flour.*—Total, 35,704 bags of 196 pounds (\$167,629): U.K., 20,055 bags (\$79,430); Canada, 13,049 bags (\$66,867); U.S., 574 bags (\$3,186).

*(b) Beans and Peas in sacks or barrels.*—Total, 7,298 cwt. (\$33,867): Chile, 4,239 cwt. (\$19,895); U.S., 2,517 cwt. (\$11,938); U.K., 297 cwt. (\$1,148).

*Farinaceous Preparations.*—Total, 1,198½ cwt. (\$11,172): U.S., 1,042 cwt. (\$9,648); U.K., 111 cwt. (\$1,659); Canada, 43 cwt. (\$386). About one quarter of these imports were arrowroot, cornflour, macaroni, sago, tapioca and starch; and the remainder various kinds of cereal foods.

*Lard and Lard Substitutes.*—Total, 4,478 cwt. (\$48,433): U.K., 3,697 cwt. (\$39,690); Hongkong, 335 cwt. (\$1,990); U.S., 290 cwt. (\$4,394); Canada, 125 cwt. (\$1,843).

*Meat (a) Fresh, Chilled.*—Total, 27 cwt. (\$879), entirely from Canada.

*(b) Beef, Salted, in Barrels.*—Total, 1,863 cwt. (\$19,465): Canada, 695 cwt. (\$7,750); U.K., 702 cwt. (\$7,216); Uruguay, 213 cwt. (\$2,118); Argentina, 185 cwt. (\$1,740).

*(c) Pork, Mess, in Barrels.*—Total, 1,188 cwt. (\$17,860): Canada, 951 cwt. (\$14,793); Argentina, 237 cwt. (\$3,067).

*(d) Pork, Other, in Barrels.*—Total, 1,598 cwt. (\$20,144): Canada, 782 cwt. (\$9,723); U.S., 506 cwt. (\$6,722); Argentina, 246 cwt. (\$2,940).

*(e) Preserved in Tins or Bottles.*—Total, 2,065 cwt. (\$29,863): Argentina, 1,344 cwt. (\$14,613); U.S., 434 cwt. (\$9,782); Uruguay, 121 cwt. (\$1,611); Denmark, 62 cwt. (\$1,409); Canada, 40 cwt. (\$1,041).

*(f) Smoked or Cured, including Bacon and Ham.*—Total, 755 cwt. (\$18,716): Canada, 548 cwt. (\$14,191); Argentina, 84 cwt. (\$1,539); U.S., 62 cwt. (\$1,655).

*Milk, Preserved (a) Unskimmed, Sweetened.*—Total, 11,289 cwt. (\$81,541): Holland, 7,931 cwt. (\$52,602); U.K., 1,669 cwt. (\$12,792); Canada, 892 cwt. (\$10,131); Denmark, 784 cwt. (\$5,874).

*(b) Unsweetened.*—Total, 3,639 cwt. (\$25,890): Holland, 2,675 cwt. (\$17,492); Denmark, 336 cwt. (\$2,594); Norway, 257 cwt. (\$2,493); Canada, 243 cwt. (\$2,182).

*(c) Powdered.*—Total, 156 cwt. (\$4,367): Holland, 60 cwt. (\$1,249); Canada, 54 cwt. (\$2,043); U.S., 20 cwt. (\$668); Denmark, 22 cwt. (\$407).

*Pickles, Sauces and Condiments.*—Total, 426 cwt. (\$6,563): U.S., 294 cwt. (\$3,922); U.K., 34 cwt. (\$1,089); Italy, 47 cwt. (\$712); Canada, 19 cwt. (\$499); Germany, 28 cwt. (\$320).

*Provisions, Unenumerated.*—Total, \$31,165: U.S., \$17,919; U.K., \$7,186; Canada, \$5,301.

*Salt, Common.*—Total, 7,520 cwt. (\$5,402): U.S., 7,183 cwt. (\$5,079); U.K., 337 cwt. (\$323).

*Spirits.*—Total, 6,639¼ gallons (\$9,381). These imports, of which none came from Canada, consisted of alcohol, brandy, gin, whisky, and various kinds of cordials and liqueurs. The U.K. and Holland were the principal countries of supply.

*Sugar, Refined.*—Total, 25,009 cwt. (\$53,762): U.K., 24,943 cwt. (\$53,417); Canada, 65 cwt. (\$340); U.S., 1 cwt. (\$5).

*Tea.*—Total, 447 cwt. (\$21,352): U.K., 174 cwt. (\$8,236); Ceylon, 171 cwt. (\$8,151); Canada, 59 cwt. (\$2,855); British India, 35 cwt. (\$1,836).

*Tobacco (a) Black Leaf.*—Total 47,336 pounds (\$9,261): U.S., 46,896 pounds (\$9,144); Canada, 440 pounds (\$117).

*(b) Leaf, Other Kinds.*—Total 21,062 pounds (\$7,709): U.S., 16,704 pounds (\$5,634); Canada, 3,064 pounds (\$1,332); Greece, 1,273 pounds (\$724).

*Vegetables, Fresh (a) Onions.*—Total, 2,655 cwt. (\$7,534): Egypt, 856 cwt. (\$2,355); Canada, 745 cwt. (\$1,926); U.S., 507 cwt. (\$1,746); Cyprus, 522 cwt. (\$1,430).

*(b) Potatoes.*—Total, 2,395 cwt. (\$7,584): U.S., 1,170 cwt. (\$4,262); Canada, 848 cwt. (\$2,259); Holland, 305 cwt. (\$865).

*(c) Other Kinds.*—Total, 330 cwt. (\$2,042): entirely from the U.S.

*Vegetables, Preserved in Tins or Bottles.*—Total, 728 cwt. (\$6,414): U.S., 440 cwt. (\$3,459); U.K., 65 cwt. (\$1,038); Spain, 125 cwt. (\$805); Canada, 45 cwt. (\$473); Belgium, 33 cwt. (\$383).

### *Class II—Raw Materials and Articles Mainly Unmanufactured*

*Fertilizers and Manures.*—Total 61½ tons, (\$3,146): U.K., 45½ tons (\$2,102); U.S., 10½ tons (\$628); Holland, 5 tons (\$416).

*Wood and Timber (a) Dressed Lumber.*—Total, 79,323 cubic feet (\$38,440): U.S., 76,950 cubic feet (\$36,926); U.K., 1,871 cubic feet (\$1,247); Canada, 502 cubic feet (\$267).

*(b) Undressed Lumber.*—Total, 16,151 cubic feet (\$9,387): entirely from the U.S.

### *Class III—Articles Wholly or Mainly Manufactured*

*Apparel, Wearing (a) Neckties and Collars.*—Total, 693 dozen (\$1,550): U.K., 289 dozen (\$636); U.S., 286 dozen (\$681); Canada, 30 dozen (\$136).

*(b) Shirts, Vests, Singlets and Other Articles of Men's Underwear.*—Total, 9,794 dozen (\$40,581): Hongkong, 5,664 dozen (\$16,566); Japan, 1,849 dozen (\$9,537); U.S., 818 dozen (\$5,115); U.K., 540 dozen (\$3,511); Jamaica, 461 dozen (\$2,968); Canada, 458 dozen (\$2,846).

*(c) Other Kinds.*—Total, \$27,603: U.S., \$15,673; U.K., \$7,015; Japan, \$2,587; Canada, \$1,198; Hongkong, \$690.

*Ammunition, all kinds.*—Total, 336,320 rounds (\$8,065): U.K., 140,820 rounds (\$3,828); U.S., 106,500 rounds (\$2,324); Canada, 87,000 rounds (\$1,913).

*Bags and Sacks, not Paper, for packing Colony Produce.*—Total, 71,215 in number (\$8,551): British India, 40,500 (\$5,200); U.K., 18,000 (\$2,191); U.S., 11,815 (\$1,067).

*Bags, Trunks and Valises.*—Total, 1,070 in number (\$1,737): U.K., 670 (\$810); Canada, 322 (\$753).

*Boots, Shoes and Slippers (a) Rubber, Balata or Guttapercha.*—Total, 196 dozen pairs (\$3,292): Canada, 88 dozen pairs (\$1,461); U.K., 50 dozen pairs (\$866); Czechoslovakia, 39 dozen pairs (\$535); Hongkong, 17 dozen pairs (\$390).

*(b) Partly of Rubber, Balata or Guttapercha.*—Total, 4,185 dozen pairs (\$23,154): Canada, 1,744 dozen pairs (\$11,606); Hongkong, 1,226 dozen pairs (\$5,521); British India, 562 dozen pairs (\$1,929); U.K., 332 dozen pairs (\$1,630); British Malaya, 214 dozen pairs (\$1,226); Czechoslovakia, 100 dozen pairs (\$1,207).

*(c) Leather or Imitation with Rubber Soles.*—Total, 24 dozen pairs (\$296): U.S., 19 dozen pairs (\$224).

*(d) Other Kinds.*—Total, 4,199½ dozen pairs (\$62,090): U.K., 3,820 dozen pairs (\$53,877); U.S., 150½ dozen pairs (\$3,687); Canada, 140 dozen pairs (\$3,012); Mexico, 44 dozen pairs (\$792); Czechoslovakia, 36 dozen pairs (\$595).

*Carriages, Carts and Wagons (a) Bicycles or Tricycles and Parts.*—Total imports of ordinary (not motor) bicycles or tricycles were 224 units (\$3,837), of which the U.K. supplied 216 (\$3,756) and Japan the remainder. Bicycle parts totalled \$2,665; U.K., \$2,434; Germany, \$132.

*(b) Motor Cars.*—Total, 21 in number (\$12,588); Canada, 11 (\$7,016); U.S., 7 (\$3,806); U.K., 3 (\$1,766).

*(c) Motor Trucks.*—Total, 19 in number (\$22,443): U.K., 7 (\$12,197); U.S., 7 (\$7,081); Canada, 5 (\$3,165).

*(d) Motor Car and Motor Truck Parts.*—Total, \$4,674; U.S., \$3,997; U.K., \$486; Canada, \$211.

*(e) Railway and Tramway Rolling Stock and Material.*—Total, \$6,558: U.S., \$6,282; Holland, \$169; U.K., \$107.

*(f) Tractors.*—Total, 45 in number (\$141,588): U.S., 43 (\$137,608); U.K., 2 (\$3,980).

*(g) Tractor Parts.*—Total, \$34,123; U.S., \$32,363; U.K., \$1,741.

*(h) Other Kinds and Parts.*—Total, \$1,113; U.S., \$773; U.K., \$340.



(i) *Motor Tires and Tubes*.—Total, 876 in number (\$4,226); Canada, 681 (\$3,338); U.S., 125 (\$507); U.K., 70 (\$381).

(j) *Trucks and Trailers for Mahogany or Agricultural Purposes*.—Total, \$91,967; U.S., \$91,232; U.K., \$707.

*Cement*.—Total, 1,185½ tons (\$12,764); U.K., 1,051 tons (\$10,937); U.S., 91 tons (\$1,336); Canada, 25½ tons (\$362).

*Chemicals*.—Of calcium carbide total imports were 74½ cwt. (\$611), the U.S. supplying 44 cwt. (\$370), and Canada 30 cwt. (\$233).

*Insecticides and Vermin Killers*.—Total, \$3,461; U.S., \$2,518; U.K., \$807.

*Unspecified Chemicals*.—Total, \$5,558; U.S., \$3,028; U.K., \$2,236; Canada, \$100.

*Cordage, Rope and Twine*.—Total, 675 cwt. (\$10,666); U.K., 445 cwt. (\$6,542); U.S., 155 cwt. (\$3,172); Japan, 11 cwt. (\$275); Philippines, 35 cwt. (\$271); Canada, 7 cwt. (\$248).

*Cotton (a) Piece Goods*.—Total, 1,611,891 lineal yards (\$151,627); U.K., 1,207,325 yards (\$109,683); U.S., 349,137 yards (\$31,655); Canada, 11,691 yards (\$4,170); Hongkong, 20,457 yards (\$3,155); Japan, 19,641 yards (\$2,454).

(b) *Other Manufactures*.—Total, \$26,604; U.K., \$17,971; U.S., \$3,420; Japan, \$2,593; Canada, \$2,024.

*Cutlery*.—Total, \$3,951; U.K., \$1,472; Germany, \$998; U.S., \$981; Canada, \$317.

*Electrical Apparatus (a) Radio Sets and Parts*.—Total, \$15,396; U.S., \$14,840; Holland, \$358; U.K., \$198.

(b) *Other Kinds*.—Total, \$18,084; U.S., \$11,161; U.K., \$6,531; Hongkong, \$338.

*Films, Cinema*.—Total, 1,088,440 feet (\$12,467); U.S., 982,140 feet (\$11,286); U.K., 106,300 feet (\$1,179).

*Glass and Glassware (a) Bottles and Lamp Chimneys*.—Total, \$1,918; U.S., \$1,470.

(b) *Other Kinds*.—Total, \$5,204; U.S., \$2,112; U.K., \$1,379; Germany, \$1,003.

*Haberdashery and Millinery*.—Total, \$31,350; U.K., \$13,312; U.S., \$10,547; Japan, \$2,184; Canada, \$1,478; Germany, \$1,173.

*Hardware (a) Aluminumware*.—Total, \$1,057; U.S., \$825.

(b) *Enamelware*.—Total, \$7,899; Germany, \$3,070; U.K., \$2,824; U.S., \$1,094.

(c) *House, Office, Cabinet or Store Furniture of Iron or Other Metal*.—Total, \$11,505; U.S., \$10,158; U.K., \$951; Canada, \$273.

(d) *Typewriters, Adding Machines and Parts Thereof*.—Total, 47 in number (\$3,126); U.S., 32 (\$2,208).

(e) *Other Kinds*.—Total, \$36,945; U.S., \$20,052; U.K., \$11,160; Canada, \$3,772; Germany, \$840; Hongkong, \$422.

*Hats, Caps and Bonnets*.—Total, 5,428 dozen (\$22,206); U.K., 1,564 dozen (\$10,725); U.S., 1,092 dozen (\$7,030); Mexico, 1,848 dozen (\$1,637); Hongkong, 209 dozen (\$1,171); Japan, 232 dozen (\$799).

*Hosiery (a) Cotton*.—Total, 4,820 dozen pairs (\$5,518); Hongkong, 3,595 pairs (\$3,313); U.K., 1,005 dozen pairs (\$1,713); Canada, 124 dozen pairs (\$238); U.S., 94 dozen pairs (\$219).

(b) *Silk and Artificial Silk*.—Total, 4,156 dozen pairs (\$8,915); U.K., 2,362 dozen pairs (\$4,182); Canada, 465 dozen pairs (\$2,832); Hongkong, 1,231 dozen pairs (\$1,492).

*Implements and Tools (a) Agricultural*.—Total, \$15,127; U.S., \$9,802; U.K., \$4,672; Canada, \$509.

(b) *Other Kinds*.—Total, \$17,009; U.S., \$9,531; U.K., \$3,478; Canada, \$2,532.

*India Rubber Manufactures*.—Total, \$1,674; U.S., \$1,077; Canada, \$355.

*Lamps and Lampware*.—Total, \$7,150; U.S., \$3,557; U.K., \$1,613; Germany, \$1,180.

*Machinery, including Accessories (a) Agricultural*.—Total, 7½ tons (\$2,601); U.S., 6½ tons (\$2,104); U.K., 1 ton (\$410); Canada, \$87.

(b) *Electric Lighting*.—Total, \$6,974; U.S., \$3,517; U.K., \$3,374; Canada, \$83.

(c) *Marine*.—Total, 30½ tons (\$28,028); U.S., 9 tons (\$13,478); Germany, 15 tons (\$7,345); U.K., 5½ tons (\$6,832).

(d) *Sawmill*.—Total, 2½ tons (\$1,478); U.S., 2½ tons (\$1,242); Canada, \$236.

*Sewing Machines and Parts*.—Total, 289 in number (\$4,206) from the U.S.

*Medicines and Drugs, chiefly Patent and Proprietary*.—Total, \$47,421; U.S., \$28,435; U.K., \$11,432; Canada, \$4,830; Germany, \$1,226.

*Metals and Metal Manufactures (a) Barbed Wire, Hog Fencing and Staples for Same*.—Total, 554 cwt. (\$2,809); U.S., 261 cwt. (\$1,215); U.K., 105 cwt. (\$844); Canada, 106 cwt. (\$495); Belgium, 81 cwt. (\$232).

(b) *Iron and Steel Bars and Rods*.—Total, 74½ tons (\$3,879); U.K., 56½ tons (\$2,610); Canada, 13 tons (\$842); U.S., 5 tons (\$427).

(c) *Iron and Steel Nails, Spikes, Rivets, Clinches and Wire*.—Total, 48½ tons (\$5,751); Canada, 27 tons (\$3,204); U.K., 15 tons (\$1,665); U.S., 4½ tons (\$610); Belgium, 2 tons (\$272).

(d) *Iron Roofing, Guttering and Down Pipes*.—Total, \$10,369: U.K., \$8,774; Belgium, \$826; U.S., \$769.

(e) *Rafting Chains and Timber Dogs*.—Total, \$13,755: U.S., \$9,426; U.K., \$3,906; Canada, \$423.

(f) *Wire Gauze for Screening*.—Total, \$1,365; U.K., \$543; U.S., \$534; Canada, \$221.

*Oils*.—Imports of essential, fuel (i.e. diesel, gasoline and kerosene), linseed, lubricating, medicinal and perfumed oils totalled 1,077,732 gallons valued at \$186,159. Quantities of essential, medicinal and perfumed oils are not recorded. The United States and Mexico were the chief suppliers of fuel and lubricating oil, which accounted for most of these imports; in the other kinds the United Kingdom predominated.

*Oilcloth and Linoleum*.—Total, \$2,258; U.S., \$2,018; U.K., \$240.

*Painters' Colours and Materials*.—Total imports of paints were 1,557 cwt. (\$18,881); U.K., 1,146 cwt. (\$12,248); U.S., 255 cwt. (\$5,082); Holland, 132 cwt. (\$1,421); Canada, 4 cwt. (\$105). About two-thirds of these imports were in dry or paste form and the remainder ready mixed. Imports of turpentine, entirely from the United States, totalled 566 gallons (\$444); and of varnish, 754 gallons (\$1,037); U.S., 547 gallons (\$605); U.K., 147 gallons (\$303); Canada, 60 gallons (\$129).

*Paper Manufactures (a) Newsprint*.—Total, 179 cwt. (\$558); Norway was the chief source of supply.

(b) *Other Kinds, not including Stationery or Playing Cards*.—Total, \$22,762; U.S., \$7,511; Canada, \$6,491; U.K., \$3,103; Denmark, \$2,327; Norway, \$1,514.

*Perfumery and Toilet Preparations*.—Total, \$20,238; U.S., \$13,618; U.K., \$2,486; Jamaica, \$1,527; Canada, \$947.

*Ship Chandlery*.—Total, \$2,369; U.S., \$1,384; U.K., \$709; Canada, \$276.

*Silk and Artificial Silk Manufactures (a) Artificial Silk Piece Goods*.—Total, 233,697 lineal yards (\$29,588); Japan, 156,962 yards (\$17,998); U.K., 46,785 yards (\$5,674); U.S., 11,426 yards (\$2,902); China, 12,111 yards (\$1,704); Canada, 1,534 yards (\$548).

(b) *Silk Piece-goods*.—Total, 23,537 lineal yards (\$3,961): Japan, 18,761 yards (\$2,350); China, 3,188 yards (\$882); Hongkong, 1,580 yards (\$712).

*Soap (a) Common*.—Total, 6,798 cwt. (\$34,072); U.K., 5,259 cwt. (\$26,456); U.S., 1,526 cwt. (\$7,553).

(b) *Perfumed and Medicated*.—Total, 399 cwt. (\$7,740): U.K., 268 cwt. (\$5,080); U.S., 103 cwt. (\$2,064); Canada, 25 cwt. (\$536).

*Stationery, Unspecified*.—Total, \$10,642: U.S., \$4,475; U.K., \$3,974; Canada, \$1,498; Japan, \$402.

*Toys and Games*.—Total, \$7,270: U.S., \$3,037; U.K., \$1,914; Germany, \$1,011; Japan, \$998.

*Wood and Timber (a) Furniture and Cabinet Ware*.—Total, \$3,911: Canada, \$1,669; U.S., \$999; U.K., \$679; Czechoslovakia, \$436.

(b) *Other Kinds*.—Total, \$11,630: U.S., \$8,511; Canada, \$1,841; U.K., \$746.

*Wool and Woollen Manufactures (a) Piece-goods*.—Total, 14,811 lineal yards (\$12,119): U.K., 13,000 yards (\$10,833); U.S., 1,708 yards (\$1,279).

(b) *Other Manufactures*.—Total, \$1,269: U.K., \$831; U.S., \$438.

*Unenumerated Articles*.—Total, \$11,116: U.S., \$7,562; U.K., \$2,574; Germany, \$467; Canada, \$286.

#### *Class IV—Animals Not for Food*

Imports under this head totalled \$3,029 in value and consisted of poultry, draught animals, and farm stock. The United States and nearby Central American republics were the principal suppliers.

#### *Class V—Bullion and Specie*

Imports totalled \$1,700 and were entirely of United Kingdom origin.

## II. Exports

Domestic exports in 1936 totalled \$1,343,603 in f.o.b. value, and re-exports \$1,070,248, making a grand total of \$2,413,851; in 1935 the respective totals were \$929,097, \$769,946, and \$1,699,043. The total value of domestic exports in 1934 was \$878,460, and in 1933, \$434,110.

#### PRINCIPAL INCREASES

The very considerable increase shown by these figures, which has naturally been paralleled in the colony's import trade, is largely due to the revival of the



mahogany industry, of which the products are the largest item of the domestic exports (52·85 per cent in 1936 and 46·48 per cent in 1935). But in 1936 there were increases in exports of several other items; indeed, except for coconuts, hides and skins, oranges, and rum, which decreased, all the colony's principal products were shipped in greater volume in 1936 than in the preceding year. The following increases were noteworthy:—

Bananas from 356,056 bunches in 1935 (\$125,274) to 696,127 bunches (\$244,238) in 1936; copra from 5,230 pounds (\$52) to 425,996 pounds (\$10,456); fresh grapefruit from 15,450 cwt. (\$32,280) to 18,781 cwt. (\$41,277); canned grapefruit from 352 cwt. (\$2,014) to 1,416 cwt. (\$8,381); grapefruit juice from 42 cwt. (\$156) to 612 cwt. (\$2,703); Plantains from 162,560 in number (\$1,007) to 198,200 (\$2,314); and cohune kernels from nil to 445,120 pounds (\$18,250).

### CHIEF DESTINATIONS

Of the domestic exports in 1936 the United States took \$861,434 (64·14 per cent), the United Kingdom \$404,484 (30·10 per cent), Canada \$47,840 (3·56 per cent), and Mexico \$10,686 (0·79 per cent). Canada took from British Honduras during the year under review 124,651 pounds of chicle and 5,803 cwt. of grapefruit. All the colony's bananas and coconuts were shipped to the United States, which also purchased most of the chicle and mahogany. The United Kingdom was the largest buyer of British Honduras grapefruit.

Shipping tonnage both inwards and outwards moderately increased over the 1935 figures, but was considerably below those of 1934, 1933, and 1932.

### TRADE COMMISSIONERS ON TOUR

Mr. James Cormack, Canadian Trade Commissioner in Dublin, Irish Free State (whose territory covers Northern Ireland also); Mr. B. C. Butler, Canadian Trade Commissioner in Singapore, Straits Settlements (whose territory covers the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India); and Mr. J. H. English, Canadian Trade Commissioner in London, England, are at present on tour in the interests of Canadian trade with their respective territories. Their itineraries are as follows:—

#### Mr. Cormack

Montreal . . . . .	Nov. 29 to Dec. 10	Halifax . . . . .	Dec. 16 and 17
Bedford . . . . .	Dec. 11	St. John . . . . .	Dec. 20 and 21
Quebec City . . . . .	Dec. 13 and 14	Ottawa . . . . .	Dec. 23 and 24

#### Mr. Butler

St. Catharines and Niagara Falls . . . . .	Nov. 29 and 30	Oakville, New Toronto and Weston . . . . .	Dec. 1 and 2
		Toronto . . . . .	Dec. 3 to 18

#### Mr. English

Halifax . . . . .	Nov. 29	Sherbrooke . . . . .	Dec. 3
Annapolis Valley . . . . .	Nov. 30 and Dec. 1	Montreal . . . . .	Dec. 4 to 23
St. John . . . . .	Dec. 2		

Firms who wish to be brought in touch with the Trade Commissioners should communicate, for Toronto, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres with the respective Board of Trade or Chamber of Commerce.

## EXPORTS TO THE UNITED STATES OF PRODUCTS UNDER THE QUOTA PROVISIONS OF THE TRADE AGREEMENT

The following table prepared by the Canadian Trade Commissioner's office at New York from preliminary figures issued by the Treasury Department at Washington shows the standing of the quotas provided for under the Canada-United States Trade Agreement up to October 30, 1937:--

	Total of Quota	Reduction in duty	Amount of Quota used by Canada	Percentage of Quota used by Canada to Oct. 30, 1937
Cattle (700 lbs. or more) . . . .	155,799 head	3 to 2c. per lb.	Quota filled	
Calves (less than 175 lbs.) . . . .	51,933 head	2½ to 1½c. per lb.	Quota filled	
Dairy cows . . . . .	20,000 head	3 to 1½c. per lb.	5,379	26.9%
Cream . . . . .	1,500,000 galls.	56½ to 35c. per gall.	118,495	7.9%
Seed potatoes . . . . .	750,000 bush.	75 to 60c. per 100 lbs. Dec. 1 to end of February; 45c. Mar. 1 to Nov. 30	704,793 <sup>1</sup>	94.0%
Unmanufactured lumber (Douglas fir and Western hemlock)	250,000 M ft. b.m.	\$1 to 50c. per M ft. b.m. duty; \$3 to \$1.50 tax	114,096 M ft. b.m. <sup>2</sup>	45.6%
Red cedar shingles . . . . .	892,373 squares	Free	850,725 squares quota filled Nov. 1 <sup>3</sup>	95.3%

<sup>1</sup> The United States Commissioner of Customs has announced that preliminary reports from the Collectors of Customs show total importations of 704,793 bushels of white or Irish certified seed potatoes under the quota provisions of the Canada-United States Trade Agreement during the period December 1, 1936, to November 5, 1937, representing 94.6 per cent of the total allowable under the tariff rate quota on importations of this commodity for the twelve-month period ending November 30, 1937.

<sup>2</sup> Of the total imports of Canadian fir and hemlock amounting to 114,096,275 board feet from January 1 to October 30, 1937, 71,594,460 board feet were Douglas fir, 15,057,276 board feet Western hemlock, and 27,444,539 board feet mixed fir and hemlock.

<sup>3</sup> The quota on importations of red cedar shingles from Canada into the United States which was filled on November 1, 1937, was established under Executive Order 7701 of September 3, 1937, which limited importations to 892,373 squares during the last six months of the calendar year 1937.

## NORWEGIAN CANNING INDUSTRY IN 1936

RICHARD GREW, CANADIAN TRADE COMMISSIONER

Oslo, November 8, 1937.—Viewed as a whole, the fish products canning industry of Norway can be said to have had a satisfactory year in 1936, although in certain kinds of fish the catch was disappointing. Total exports amounted to 37,813 metric tons with a value of kroner 35,200,000 (about \$8,800,000 in Canadian currency) as compared with 34,713 metric tons valued at kroner 33,200,000 (\$8,300,000) in 1935. The increase in quantity is 9 per cent; in value the advance is 6 per cent.

In view of the fact that the increase in quantity is greater than the increase in value, it would appear that the average price per unit of canned goods exported in 1936 is lower than in the previous year in spite of the fact that a greater quantity of the more expensive goods, such as canned brisling, was shipped during 1936. With the exception of 1924, the quantity exported during 1936 is the largest and 20 per cent greater than the pre-war year 1913. Exports in 1924 were 10 per cent greater than in the year under review.



## CANNED FISH PRODUCTS EXPORTS

The following table shows the quantity and value of the various kinds of canned fish products exported from Norway during 1935 and 1936:—

	1935		1936	
	M. Tons	Kroner	M. Tons	Kroner
Smoked small herring in oil . . . . .	16,065	14,233,751	16,949	14,230,915
Smoked brisling in oil . . . . .	6,455	9,061,096	6,876	10,158,296
Smoked small herring in tomato . . . . .	2,462	2,039,068	2,455	1,941,231
Smoked brisling in tomato . . . . .	740	997,864	665	927,290
Smoked other small herring . . . . .	2	1,425	2	1,311
Unsmoked small herring in oil . . . . .	759	612,167	767	603,840
Unsmoked small herring in tomato . . . . .	97	73,484	100	77,290
Unsmoked other small herring . . . . .	9	10,716	7	8,525
Unsmoked other brisling . . . . .	41	51,119	49	58,927
Smoked large or spring herring in oil . . . . .	.....	33	.....	.....
Smoked large or spring herring in tomato . . . . .	48	26,510	22	13,193
Smoked other large or spring herring . . . . .	5,094	2,867,334	6,584	3,601,357
Unsmoked large or spring herring in oil . . . . .	.....	.....	11	8,457
Unsmoked large or spring herring in tomato . . . . .	51	26,348	50	25,408
Unsmoked other large or spring herring . . . . .	25	9,809	54	22,367
Other canned herring . . . . .	216	350,716	263	432,131
Milts . . . . .	238	156,829	305	188,653
Mackerel . . . . .	397	423,361	535	545,622
Other canned fish . . . . .	77	122,570	77	124,744
Crabs, shrimps, etc. . . . .	865	1,532,819	904	1,635,585
Roe (including caviar) . . . . .	146	91,571	193	120,904
Fish balls (pudding and cakes, etc.) . . . . .	871	461,343	820	442,911

As compared to 1935, smoked small herring in olive oil increased by 900 tons in 1936, and smoked brisling in olive oil was greater by 400 tons. Exports of kippered herrings were 1,500 tons greater, and mackerel registered an increase of 140 tons.

The shipment of 16,949 tons of smoked small herring in olive oil is the largest quantity exported in any single year since 1927, when this commodity was separately listed. The quantity of kippered herring exported, namely 6,584 tons, also recorded a new high level. With the exception of the year 1932, a record was also established for smoked brisling, and in that year conditions were exceptional as considerable quantities were exported in order to make up for shortages caused by the extremely poor catch of the previous year. Actually, exports of brisling during 1936 were equal to the average quantity exported during the past ten years.

## EXPORTS TO PRINCIPAL COUNTRIES

In the following table figures show the quantity of canned fish products exported to the principal countries of consumption for the years 1935 and 1936:—

Countries of Consumption	1935	1936
	M. Tons	M. Tons
Belgium . . . . .	265	232
Denmark . . . . .	142	177
France . . . . .	371	555
Greece . . . . .	115	159
Irish Free State . . . . .	107	239
Netherlands . . . . .	257	172
Great Britain . . . . .	9,446	9,625
Sweden . . . . .	115	102
Czechoslovakia . . . . .	143	222
Germany . . . . .	275	440
Austria . . . . .	120	148
Union of South Africa . . . . .	1,207	1,048
Canada . . . . .	1,160	1,310
United States . . . . .	16,638	18,874
Palestine . . . . .	117	148
Australia . . . . .	2,790	2,939
New Zealand . . . . .	274	242
Other countries . . . . .	1,051	1,180

The importance of the United States market is evidenced by the fact that almost exactly 50 per cent of the total exports were shipped to that country. An increase of 2,236 tons was registered over the quantity exported for the previous year. Following the United States, the next principal market is the United Kingdom, which takes approximately 25 per cent of the total exports. A small increase of 179 tons is recorded in the quantity shipped to the United Kingdom as compared to the previous year. Australia and Canada follow in that order as next most important markets, each of which countries increased its purchases over the previous year by 150 tons. Exports to Australia in 1936 amounted to 2,939 tons; the quantity shipped to Canada totalled 1,310 tons. Exports to South Africa, which in 1935 were larger than to Canada, declined by 159 tons to 1,048 tons for 1936. The Netherlands, Belgium, New Zealand, and Sweden also took smaller quantities, the decreases being 85, 33, 32, and 13 tons respectively. Increases were registered in exports to all other specified countries.

### PRICES

At the beginning of 1936 the prices for small herring were not profitable to the canning factories, nor was there any tendency towards improvement evident even when it became apparent that the catch would not be very successful. At the end of the year, however, an improvement took place for the most popular sizes,  $\frac{1}{4}$  two-layer and  $\frac{1}{16}$ , but for other sizes prices have not been satisfactory.

As a result of the activities of the Brisling Central, prices for brisling have continued firm and profitable to the canning factories, the 1935 level being maintained. For the most part, prices for kippered herring have not been satisfactory, although stocks became somewhat scarce at the year-end, causing an improvement; those factories still having quantities in stock benefited.

## WHEAT AND FLOUR TRADE REGULATION IN EUROPEAN COUNTRIES<sup>1</sup>

### XII. Switzerland

J. A. LANGLEY, CANADIAN TRADE COMMISSIONER

(One Swiss franc equals Can.\$0.23 at the current rate of exchange; one metric ton equals 2,205 pounds; one kilo equals 2.2 pounds)

### WHEAT

Rotterdam, October 30, 1937.—The basis of State control of the wheat trade in Switzerland dates back to the war, when in 1915—as a measure of national emergency—the Government assumed sole responsibility for its importation and distribution. This monopoly continued until 1929, when, after a plebiscite had been held on the question, it was abandoned.

The constitutional amendment which abolished the monopoly provided at the same time measures of State aid for domestic wheat producers. The principal features are the formation and maintenance by the Government of reserve supplies of wheat and the acquisition of home-grown wheat from the producer at a guaranteed price. The State also undertook to provide the machinery for the selling of this wheat to the millers, the paying—under certain circumstances—of milling premiums, and the protection of the national milling industry against foreign competition.

<sup>1</sup> Earlier reports in this series were published in the *Commercial Intelligence Journal* as follows: United Kingdom, No. 1748; Belgium, No. 1751; Germany, No. 1752; Norway, No. 1753; France, No. 1754; Finland, No. 1755; Irish Free State, No. 1756; Italy and Portugal, No. 1757; Denmark, No. 1759; and Sweden, No. 1760.



## GOVERNING LEGISLATION

The legislation dealing with the wheat trade of Switzerland is covered by the "Loi Fédérale sur le Ravitaillement du Pays en Blé" of July 7, 1932. A recapitulation of the salient features of this legislation is subjoined:—

*Reserves.*—In order to ensure an adequate supply of wheat within the country, the Confederation is to maintain a reserve of approximately 80,000 metric tons (2,940,000 bushels), which quantity may, under exceptional circumstances, be augmented. This reserve supply is to be held in private or public warehouses and also in the private storehouses of the mills. It is to consist of the varieties and qualities best suited for milling purposes. It is laid down that the Federal Cereal Administration—a government body—is responsible for the renewal of reserves. Sales are made to millers at the current market prices, and concurrently equal quantities purchased from abroad, so that the specified quantity is always held in stock. In buying wheat the Cereal Administration must purchase through Swiss importers or representatives of foreign grain firms domiciled in the country.

*Domestic Wheat.*—It is specified that the Confederation is to purchase directly from Swiss producers wheat suitable for the making of bread. The price paid is to be between 34 and 45 francs per 100 kilos (\$7.82 and \$10.35 per 3·67 bushels) f.o.b. cars or franco mill or warehouse.

The actual price paid is to be fixed annually by the Federal Council. For wheat of a superior quality, a supplement of 1·50 francs per 100 kilos (\$0.34½ per 3·67 bushels) may be paid. Additional supplements may be paid to producers of wheat in mountain regions on account of their higher production costs. Apart from aiding growers financially, the Confederation is to assist and encourage in all possible other ways the domestic production of bread grains.

*Milling Industry.*—The law being reviewed places the milling industry in general under the supervision of the Confederation, whose advice and instructions it must follow.

The commercial mills are required, for instance, to store without cost their part of the reserve wheat and to adequately guard it against deterioration or damage. Operators of commercial mills must also take for grinding the indigenous wheat purchased by the Confederation, and at the request of the Cereal Administration they must in addition purchase the foreign wheat held in storage in order to permit the periodic renewal of stocks.

The Federal Council will fix the price to be paid for this on the basis of the average price ruling for foreign wheat of similar quality franco mill. Home-grown wheat is delivered to the mills at a uniform price franco railway station or destination.

The section dealing with the milling industry also provides that the right to import bread flour is vested solely in the Confederation. The Cereal Administration may authorize such importation against payment of a compensatory duty at a rate to be fixed by the Federal Council. Industries which do not use bread flour for the manufacture of bread may be exempted from this tax.

The Confederation is further empowered to grant special facilities for the transportation of flour in the country. Furthermore, assistance is provided for mills in the mountain regions which, because of locality, could not otherwise economically operate.

*Control of Wheat Traffic.*—All firms and individuals who import, sell, or trade in wheat are placed by the Wheat Act under the supervision of the Confederation. They must be inscribed in a register of commerce and make a declaration that they will conform to the regulations prescribed by the Wheat Law, and in its functioning co-operate with the agents of the State.

Apart from the surveillance of the trade, the actual movement of wheat is government-controlled from the time it enters the country until it is finally consumed. As regards domestic wheat, this superintendence commences with its delivery by the producer to the Confederation.

Feeding wheat is exempt from the foregoing regulations.

*Protection of Consumers.*—The Confederation is also enjoined to protect the interests of consumers of bread from exploitation at the hands of the millers, who have monopoly privileges as regards the sale of flour.

#### OPERATION OF LAW

The administration of the wheat control legislation is placed in the hands of a body known as the Federal Cereal Commission, to which reference has already been made and whose headquarters are in Berne. In superintending the wheat trade this organization co-operates closely with the customs authorities and other interested government services.

In order to meet the cost of paying an abnormal price for home-grown wheat, legislation was passed concurrently with the abandonment of the monopoly to raise the statistical tax on all imports.

The price paid by the Confederation for domestic wheat of the 1936 crop was 34 francs per 100 kilos (\$7.82 per 3.67 bushels). The price to be paid for the current year has not yet been determined but will probably remain at the same level.

#### EXTENT OF DOMESTIC PRODUCTION

With the assistance of the legislation to which reference has been made, Switzerland has had a domestic production which averages roughly 3,704,400 bushels per annum. The area devoted to wheat culture remains fairly steady from year to year at an average of 130,342 acres. The comparatively high yield per acre is made possible by the extensive employment of fertilizers.

#### RESTRICTED IMPORTS

At the close of 1931 Switzerland adopted legislation which empowered the Federal Council to limit imports by means of quota restrictions. By a decree which became effective on May 12, 1932, wheat was placed under this law, and since then imports have only been allowed under permit from countries specified by the authorities.

The quotas granted to exporting countries are not published, but are determined quarterly on an arbitrary basis, and confidential instructions as to the countries from which, as well as the quantities, they may import are issued to the grain trade. In fixing quotas the repatriation of Swiss credits frozen in cereal-producing countries is taken into consideration. In addition, efforts are made to effect compensation arrangements with grain-growing countries whereby Swiss industrial products are taken in exchange for wheat.

The result of this has been the diversion of a large proportion of Switzerland's wheat imports to certain European countries, chief among which is Hungary.

#### EXTENT OF MARKET

Despite the subvention of domestic production, its scope is limited by the topography. Switzerland is still therefore an important wheat importer, particularly on a per capita basis. During the seven-year period from 1930 to 1936 average annual imports were approximately 18,150,936 bushels. In 1936 the figure was 17,049,648 bushels.



*Swiss Wheat Imports*

Details of Swiss wheat imports from chief supplying countries during the years 1933 to 1936 and for the first six months of 1937 are as follows:—

	1933	1934	1935	1936	Jan.-June, 1937
			Metric Tons		
Total . . . . .	509,776	461,004	480,108	463,936	243,142
Germany . . . . .	20,478	19,437	370	54	21
France . . . . .	20,626	19,887	9,221	15,562	2,349
Portugal . . . . .	.....	.....	.....	8,051	.....
Sweden . . . . .	.....	.....	13,542	967	.....
Latvia . . . . .	.....	.....	10,787	10	.....
Lithuania . . . . .	.....	.....	7,599	.....	.....
Czechoslovakia . . . . .	.....	.....	.....	928	11,320
Jugoslavia . . . . .	.....	1,425	.....	4,374	4,797
Hungary . . . . .	50,686	91,051	77,540	143,424	67,171
Bulgaria . . . . .	198	3,913	.....	.....	1,970
Roumania . . . . .	1,027	196	58,638	50,051	18,875
Soviet Russia . . . . .	13,059	22,528	1,382	11,597	285
Turkey . . . . .	.....	7,827	18,785	9,658	15,230
Iraq . . . . .	.....	.....	.....	.....	2,533
Canada . . . . .	240,305	86,879	57,368	155,470	26,412
Argentina . . . . .	142,930	202,886	219,314	51,546	91,671
Chile . . . . .	.....	1,957	2,676	12,226	.....
Uruguay . . . . .	.....	.....	.....	.....	500

## IMPORT DUTY AND CURRENCY SITUATION

There is an import duty of fr. 0.60 per 100 kilos (approximately \$0.14 per 3.67 bushels), applicable to wheat from all countries.

There are no currency transfer restrictions, and accordingly payments are made in a regular manner.

## FLOUR

There is the equivalent of a prohibition on the importation of flour into Switzerland. The market is reserved exclusively for Swiss millers by a government import monopoly. The "Loi Fédérale sur le Ravitaillement du Pays en Blé," which confers this authority on the Confederation, states that the Cereal Administration may authorize flour imports against the payment of a compensatory duty, the amount of which is fixed by the Federal Council. There is also a proviso that industries which might require flour for purposes other than bread-making may be allowed exemption from this levy. In practice there are no imports of bread-making flour.

The domestic milling industry is given this monopoly in view of the government supervision to which it has to submit and the storing without charge of part of the State wheat reserves. Mention was made of these features in the preceding section of this report on the wheat trade regulations prevailing in Switzerland.

## SHORT-PAID LETTERS TO THE NETHERLANDS

A complaint has been received from the Canadian Trade Commissioner in Rotterdam regarding the practice by Canadian exporters and business men of mailing letters upon which postage is not fully prepaid. In addition to the inconvenience occasioned foreign importers, who are charged double deficiency on such letters addressed to them, oversights of this kind tend to create a bad impression and may result in the loss of business to Canadian firms.

The letter rate to the Netherlands is 5 cents for the first ounce or fraction thereof, and 3 cents for each additional ounce or fraction thereof.

## WHEAT AND FLOUR SITUATION IN THE LEVANT STATES UNDER FRENCH MANDATE

Mr. Henri Turcot, Canadian Trade Commissioner in Cairo, writes under date October 26 that official estimates place this year's wheat crop in the Levant States under French Mandate (Syria, Lattakia, the Sanjak of Alexandretta, the Lebanon, and the Jebel Druse, the two last-named not producing this commodity) at 2,089,450 metric quintals (7,841,913 bushels) against 1,436,500 metric quintals (5,276,743 bushels) in 1936. Despite the increase in production, internal prices have of late advanced considerably, this being attributed to the negligible quantity carried over from last year, coupled with speculation. To relieve the price situation, the High Commissioner has decreed that as from October 16 exports of wheat would not be permitted. Furthermore, it is reported that the authorities have approached the Governments of Iraq, Egypt, and Turkey with a view to purchasing large quantities of wheat in these countries.

Internal prices of flour have also gone up abnormally, and exports have been prohibited at the same time as those of wheat.

## EGYPTIAN COTTON CROP

HENRI TURCOT, CANADIAN TRADE COMMISSIONER

(One kantar equals 99·05 pounds)

Cairo, October 26, 1937.—This year's cotton crop in Egypt, estimated at 11,141,000 kantars, will be by far the largest ever produced in this country, and will exceed by slightly over 2,000,000 kantars that of last year, which was a record. Due consideration being given to the quantity carried forward from last year (351,000 kantars), the amount of cotton which Egypt has for disposal exceeds by more than 2,500,000 kantars the maximum quantity ever shipped abroad in any single season, and at present the outlook for consumption is not particularly bright.

### EXPORTS

Exports throughout September were maintained at a fairly high rate, totaling 630,000 kantars against 510,000 kantars in the corresponding month of 1936. It is currently estimated that outstanding engagements for shipping account for 25 per cent of the remaining supply; this is not a very satisfactory proportion for the time of year, but new business between shippers and mills has in the last few weeks been running on exceptionally narrow lines. It seems probable, however, that this has been in a large measure due to the uncertainty that has prevailed regarding the Egyptian Government's intentions with respect to intervention in the market. The removal by a recent official announcement of fears of direct intervention should help to bring about a revival in the demand.

### GOVERNMENT ASSISTANCE

Instead of buying, the Government has authorized the *Crédit Agricole d'Egypte* to increase the limit of its advances to 85 per cent of the current price, with no time limit for repayment and no obligation on the borrower to maintain the margin. The Government guarantees the *Crédit Agricole* against any loss which thus ensues. Cotton growers will, with this assistance, be able to hold their crops a little longer until prices improve.

### MARKETING POSITION

The marketing position is now decidedly difficult. On the one hand there is the enormous increase in the estimate of the United States crop, with its



effect on prices; on the other, the fact that Egypt is faced with diminishing markets. In the past season Japan was an important purchaser of Egyptian cotton, taking 1,000,000 kantars, or 250,000 bales, out of the total export of 8,824,000 kantars, or 2,206,000 bales. Indications are that orders from this source will be much reduced this year. Roumania, which has served as an alternative outlet for the formerly held market in Spain, now appears to be turning to the United States and India for supplies.

## TRADE RESTRICTIONS AND PROHIBITIONS IN JAPAN

C. M. CROFT, COMMERCIAL SECRETARY

[The following report contains detailed information with respect to restrictions and prohibitions on imports into Japan concerning which a cabled notice from Mr. Croft was published in *Commercial Intelligence Journal* No. 1759 (October 16, 1937), page 698.]

Tokyo, October 11, 1937.—Under the provisions of the Emergency Import and Export Control Law, the Japanese Government has promulgated regulations, effective as from this date, respecting the control of trade. The commodities affected are listed under three schedules.

Under Schedule A are included cotton, in the seed or ginned (including carded or combed cotton); sheep's wool, goat's hair, and camel's hair; and wood, including logs as well as sawn lumber. The importation of these three classes of commodities is restricted and the articles specified, excluding shipments by parcel post and those not exceeding 100 yen in value, may not be imported with the permission of the Minister of Commerce and Industry. Special provision is made in the case of wool from Australia, which is covered by an Imperial Ordinance of last year dealing with trade relations with the Commonwealth.

In Schedule B are enumerated some 269 tariff items, in whole or in part, and the articles covered by these items may not be imported without the permission of the Minister of Commerce and Industry. Provision exists, however, for the importation of goods enumerated in Schedule B if such goods are not for sale and the purchases do not exceed 50 yen in value.

The restrictions and prohibitions referred to do not apply to articles for the use of the Imperial Household; to articles belonging to a foreign ruler, his family or suite who may be visiting Japan; to articles for the use of foreign ambassadors, ministers or other envoys or for the personal use of the staffs of embassies, legations, or consuls, or for the official use of such embassies, legations, and consulates; to articles imported by the Government; to articles being returned to Japan; to baggage, luggage, and household effects; to articles imported for repairs; nor to articles imported as samples or donations, or for exhibits.

Schedule C of the regulations includes some seven commodities which may not be exported without the permission of the Minister of Commerce and Industry, other than by parcel post or where the value does not exceed 100 yen. The commodities concerned are rabbit skins, naphthalin, nitric acid, waste cotton fibres, cotton rags, waste paper, and antimony or sulphide of antimony.

### RESTRICTIONS

With respect to the restriction of the importation of commodities included under Schedule A, namely cotton, wool, and wood, all of these are regarded as indispensable in the economic life of Japan, but owing to existing circumstances and the possibility of effecting some economies by the restricted purchase of these items, the imports are to be limited. The annual purchases of raw cotton are upwards of 900,000,000 tons, of which it is estimated about 40 per cent are for

home consumption. The imports of wool are approximately 800,000 bales, of which 650,000 bales are estimated to be used for domestic consumption. With respect to the imports of wood (including logs and lumber), the reported intention of the Government is to save about 20,000,000 yen, but no details have been announced, it being understood that this matter will be discussed with importers before any decision is reached.

### PROHIBITIONS

Regarding the articles included in the tariff items under Schedule B, importation is prohibited except with the permission of the Minister of Commerce and Industry. While in a general way a strict prohibition is to be enforced, under some special circumstances it may be possible to secure necessary permits for importation when imports come from countries with which Japan's trade is favourable or with which special agreements are in force.

As has been pointed out above, prohibitions are to apply, in principle, to most of the goods included under 269 items in the tariff of Japan. The commodities concerned are principally clothing; food products; toilet articles; games and sports equipment; such instruments as telephones, clocks, and phonographs; and non-essential industrial materials. In other words, the prohibition is to apply to goods of the luxury or unnecessary class.

### PURCHASES FROM CANADA

As far as purchases from Canada are concerned, there are relatively few items affected; full details are available on application to the Department of Trade and Commerce, Ottawa. Items of interest to Canada are as follows:—

Animals, not otherwise provided for (this prohibition excludes horses, bulls, oxen, cows, sheep, goats, swine, poultry, fish, and bees, but includes other live animals such as angora rabbits); macaroni, vermicelli, and the like; meats, poultry, and game (this prohibition does not apply to fresh beef, fresh pork, or preserved or canned meats, but does apply to fresh meats not specified and also to sausages, ham and bacon, salted meats and other classes of meats, poultry and game); condensed milk (this includes powdered and evaporated milk); furs (the prohibition does not apply to those of dog, cat, rabbit, sheep, and goat, but includes all other furs) and fur manufactures not otherwise provided for in the tariff; certain classes of leather (but excluding that of bulls, oxen, cows, buffaloes, horses, sheep, and goats, and also waste leather); acetic acid; wallpaper; and articles for billiards, tennis, cricket, chess, and other games, and accessories thereof (including hockey skates and sticks).

### PERMITS

In order to obtain permission to import any of the goods listed in the so-called "restricted" or "prohibited" classes as enumerated in Schedules A and B of the regulations, it is necessary for the importer to submit an application in duplicate to the Minister of Commerce and Industry enumerating (1) name of article; (2) quantity and estimated value; (3) place of production or manufacture; (4) port of shipment; (5) port of entry; and (6) time of importation. If a permit is granted, the importation must take place within the time specified by the Minister of Commerce and Industry, although he may grant an extension in time when sufficient reason is given. If any changes are to be made in the port of shipment and the time of importation, due notification must be given.

Likewise when export permits are sought, appropriate information must be furnished showing (1) the name of the article; (2) quantity and value; (3) name or title of purchaser and his address; (4) ultimate destination; (5) port of destination; (6) port of shipment; and (7) time of exportation.

When permits for importation or exportation have been secured and when such importation or exportation has been completed, notification to this effect must be furnished within seven days to the Minister of Commerce and Industry.



## TENDERS INVITED

### New Zealand

Copies of specifications have been received from Mr. W. F. Bull, Canadian Trade Commissioner at Auckland, for equipment required by the Public Works Department, Wellington. These specifications are open for inspection at the Department of Trade and Commerce, Ottawa. Tenders should be addressed to the Secretary, Public Works Supplies and Tenders Committee, Wellington, in accordance with these specifications.

Particulars are as follows:—

*Public Works Department.*—Section 356, Addington sub-station, Lake Coleridge scheme, four single-phase transformers or, alternatively, seven single-phase transformers, complete with all accessories (tenders close February 8, 1938); Section 448, Mangahao scheme, 160 galvanized steel transmission line towers complete with cross arms, ground stubs and accessories, to specification (tenders close February 1, 1938).

## TARIFF CHANGES AND CUSTOMS REGULATIONS

### United Kingdom

#### CERTIFICATES OF ORIGIN

An announcement appeared in *Commercial Intelligence Journal* No. 1726 (February 27, 1937), respecting the issue of a revised edition (December 1936) of London Custom House Notice 27A containing the texts of the various certificates of origin required for Imperial preference purposes in the United Kingdom. At that time the Customs stated that the change-over to the new forms of certificates would be allowed to take place gradually, no date being fixed after which the old forms would be unacceptable.

Advice now received from the London Custom House is to the effect that the old text of form 120, the appropriate certificate for manufactured goods other than sugars and tobaccos, will continue to be accepted in place of the 1936 text until the end of 1937. Thereafter, if old forms are used they should be amended in manuscript to conform with the revised text.

With regard to form 119, the certificate for goods which require to qualify as the "growth or produce" of the British Empire, the old text will be acceptable until the end of March, 1938.

No date has yet been fixed as regards form 121, which is required for manufactured sugars and tobaccos, or form 122, a supporting certificate used when preference is claimed in respect of an ingredient or component part of an imported article.

#### INCREASED DUTY ON PROCESSED MILK DISCUSSED

The United Kingdom Board of Trade announced on November 8 that it had been decided not to give effect for the present to a recommendation of the Import Duties Advisory Committee for increasing duties on processed milks of non-Empire origin. In this connection a report from the Import Duties Advisory Committee dated June 3, 1936, has been published. It recommended a new rate on condensed whole milk, approximately double the former rate, and approximately a fourfold increase in the rate on milk powder. The United Kingdom Government, however, after consultation with United Kingdom manufacturing interests and representatives of the principal foreign supplying countries, announced that arrangements had been made for reducing the exports of processed milk from these countries to the United Kingdom to a level that should give United Kingdom manufacturers a satisfactory share of the home market.

## New Zealand

### TARIFF DECISIONS

Recent decisions of the New Zealand Department of Customs as to the classification of and rates of duty on articles regarding which question had been raised include the following:—

"Jackets of felted textile, being endless felts for use in the manufacture of paper," are approved for admission under Item 352 as "machinery and appliances peculiar to use in manufacturing, industrial, and similar processes," free of duty under the British preferential tariff, 20 per cent ad valorem when from "most-favoured" countries, and 25 per cent ad valorem (plus surtax of  $22\frac{1}{2}$  per cent of duty) when from other non-British countries.

Globe stop valves, cast iron, suited for use with steam at working pressures of not less than 50 pounds per square inch, are also admissible under Item 352. (Formerly such valves were dutiable with other globe valves under Item 356-1 at 20 per cent ad valorem under the British preferential tariff (with surtax of  $22\frac{1}{2}$  per cent of duty if from Canada or certain other British Dominions) and 45 per cent ad valorem plus surtax of  $22\frac{1}{2}$  per cent of the duty when from non-British countries.)

Veneers and plywood declared by a manufacturer to be for his use solely in the manufacture of radio cabinets are admissible free of ordinary duty (but subject to 3 per cent ad valorem primage duty) under the British preferential tariff, and at 25 per cent ad valorem (plus surtax of  $22\frac{1}{2}$  per cent of duty) when from any non-British country (Item 448).

Toy books containing pictures of children's clothing to be cut out and fitted to a figure which forms part of the covers of the book and which is partially stamped out to facilitate its removal are free of ordinary duty (but subject to 3 per cent ad valorem primage duty) under all tariffs (Item 301).

Canadian goods under any of the items quoted above, accompanied by the prescribed certificate of origin and shipped in accordance with New Zealand regulations, are admitted under the British preferential tariff.

## Trinidad

### TARIFF CHANGES

A tariff resolution of Trinidad, adopted October 22, 1937, contains a new item for imitation roofing slates of asbestos or similar material. On sizes not exceeding 2 feet long and 1 foot wide the rates are \$6 per 1,000 pieces, British preferential tariff, and \$20 general tariff, with proportionately higher rates for larger sizes. The previous rates were 10 per cent ad valorem and 20 per cent ad valorem respectively. The resolution provides for free entry, when of British Empire origin, of: eggs in shell; fire-fighting apparatus; magnesite; sulphate of alumina for purification of water; cellophane paper, labels and tags, buttons, marking paper, pyjama frogs and girdles, for use in a bona fide shirt factory. It revises the duty-free item on material imported for use in packing agricultural products of the Colony to read: "Crates, boxes, bags and other packages and shooks, staves and headings of all descriptions imported for use in packing the agricultural products of the Colony, if of British Empire origin; and crates, boxes, bags and other packages not of British Empire origin imported for use as aforesaid on proof to the satisfaction of the Governor in Executive Council that satisfactory articles of British Empire origin are not obtainable." Formerly some of these were unconditionally duty free from all sources.

## Belgium

### TARIFF CHANGES

Mr. Maurice Bélanger, Assistant Trade Commissioner in Brussels, advises that a Belgian decree of October 22, 1937, effective November 10, increases the duty on aluminium paint (ex item 434) from 34.50 francs to 250 francs per 100 kilograms and decreases the duty on textile fabrics for roofing, wall coverings or for industrial use, impregnated with a substance containing celluloid, nitro-cellulose or similar product (ex item 596) from 518 francs to 400 francs per 100 kilograms. Metallic or galvanic moulds for the manufacture of cylinders or discs for gramophones (item 1133), previously dutiable at 805 francs, have been made duty free.



## FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING NOV. 22, 1937

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, November 22, and for the week ending Monday, November 15, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Nov. 15	Nominal Quotations in Montreal Week ending Nov. 22	Official Bank Rate
Austria . . . . .	Schilling	.1407	\$ .1888	\$ .1888	3½
Belgium . . . . .	Belga	.1001	.1701	.1698	2
Bulgaria . . . . .	Lev	.0072	.0130	.0129	6
Czechoslovakia . . . . .	Krone	.0296	.0351	.0351	3
Denmark . . . . .	Krone	.2680	.2228	.2229	4
Finland . . . . .	Markka	.0252	.0221	.0221	4
France . . . . .	Franc	.0392	.0338	.0339	3
Germany . . . . .	Reichsmark	.2382	.4034	.4034	4
Great Britain . . . . .	Pound	4.8666	4.9907	4.9937	2
Greece . . . . .	Drachma	.0130	.0091	.0092	6
Holland . . . . .	Guilder	.4020	.5534	.5539	2
Hungary . . . . .	Pengo	.1749	.2948	.2944	4
		Unofficial	.1983	.1981	—
Italy . . . . .	Lira	.0526	.0526	.0525	4½
Jugo-Slavia . . . . .	Dinar	.0176	.0231	.0231	5
Norway . . . . .	Krone	.2680	.2507	.2508	4
Poland . . . . .	Zloty	.1122	.1891	.1890	5
Portugal . . . . .	Escudo	.0442	.0452	.0451	4
Roumania . . . . .	Leu	.0060	.0073	.0073	4½
Spain . . . . .	Peseta	.1930	.0626	.0624	5
Sweden . . . . .	Krona	.2680	.2573	.2574	2½
Switzerland . . . . .	Franc	.1930	.2311	.2310	1½
United States . . . . .	Dollar	1.0000	.9993	.9981	1
Mexico . . . . .	Peso	.4985	.2775	.2770	4-5
Cuba . . . . .	Peso	1.0000	.9986	.9973	—
Guadeloupe . . . . .	Franc	.0392	.0338	.0339	—
Jamaica . . . . .	Pound	4.8666	5.0007	5.0037	—
Martinique . . . . .	Franc	.0392	.0338	.0339	—
Other British West Indies	Dollar	1.0138	1.0397	1.0403	—
Argentina . . . . .	Peso (Paper)	.4245	.3329	.3329	—
		Unofficial	.2958	.2934	—
*Brazil . . . . .	Milreis	.1196	.0598	.0593	—
British Guiana . . . . .	Dollar	1.0138	1.0397	1.0403	—
Chile . . . . .	Peso	.1217	.0517	.0516	3-4½
Colombia . . . . .	Peso	.9733	.5695	.5427	4
Peru . . . . .	Sol	.2800	.2600	.2595	6
Venezuela . . . . .	Bolivar	.1930	.3135	.3131	—
Uruguay . . . . .	Peso	1.0342	.7911	.7900	—
South Africa . . . . .	Pound	4.8666	4.9850	4.9875	3½
Egypt . . . . .	Pound (100 Piastres)	4.9431	5.1168	5.1100	—
China (Shanghai) . . . . .	Dollar	.....	.2939	.2937	—
Hongkong . . . . .	Dollar	.....	.3103	.3111	—
India . . . . .	Ruppee	.3650	.3769	.3768	3
Japan . . . . .	Yen	.4985	.2907	.2910	3.29
Java . . . . .	Guilder	.4020	.5533	.5538	—
Siam . . . . .	Baht (Tical)	.4424	.4574	.4578	—
Straits Settlements . . . . .	Dollar	.5678	.5854	.5856	—
Australia . . . . .	Pound	4.8666	3.9925	3.9950	3
New Zealand . . . . .	Pound	4.8666	4.0250	4.0262	2

\* Unofficial.

The Dominion Bureau of Statistics has supplied the following note:—

The first signs of stability in November foreign exchange markets appeared during the third week. Sterling levelled off just above \$4.99, while discounts on New York funds centred around  $\frac{3}{8}$  of 1 per cent. French franc rates continued almost stationary at between 3.39 cents and 3.40 cents. Further capital movements into the Netherlands have caused the florin to advance independently of other principal currencies. Montreal rates on the florin are now close to 55.4 cents.

## TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

### Secretary, Board of Trade—

Saint John, N.B.

Halifax, N.S.

Quebec, P.Q.

Montreal, P.Q.

Toronto, Ont.

Chatham, Ont.

Kitchener, Ont.

Brantford, Ont.

Stratford, Ont.

Woodstock, Ont.

St. Mary's, Ont.

Portage la Prairie, Man.

St. Boniface, Man.

Winnipeg, Man.

Vancouver, B.C.

New Westminster, B.C.

### Secretary, Chamber of Commerce—

Sherbrooke, P.Q.

Kingston, Ont.

Oshawa, Ont.

Belleville, Ont.

Brantford, Ont.

Peterborough, Ont.

London, Ont.

Hamilton, Ont.

Victoria, B.C.

Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

### Secretary, Canadian Manufacturers Association—

Toronto, Ont.

Montreal, P.Q.

Winnipeg, Man.

Edmonton, Alta.

Vancouver, B.C.

Victoria, B.C.

The Maritime Provinces Trade Commissioner, 122 Federal Building, Toronto, Ont.

The Bureau of Provincial Information, Victoria, B.C.

**Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.**

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Foodstuffs—</b>			
Canned Fruits.....	821	Bristol, England.....	Agency.
Flour.....	822	Bristol, England.....	Agency.
Canned Sardines.....	823	Melbourne, Australia.....	Agency.
Canned Salmon.....	824	Melbourne, Australia.....	Agency.
<b>Miscellaneous—</b>			
Feedstuffs (Animal).....	825	Bristol, England.....	Agency.
Men's Half Hose.....	826	Bristol, England.....	Agency.
Elastic Webbing.....	827	Bristol, England.....	Agency.
Buttons.....	828	Bristol, England.....	Agency.
Textiles (General).....	829	Bristol, England.....	Agency.
Clothes Pegs (Dolly and Spring)..	830	Bristol, England.....	Purchase.
Broom Handles.....	831	Bristol, England.....	Purchase.
Household and Hand Brooms....	832	Port of Spain, Trinidad....	Agency.
Washboards (Brass and Zinc)....	833	Bristol, England.....	Purchase.
Woodenware, Spring Blind Rollers, and Handles (Broom and Tool).	834	Belfast, Northern Ireland..	Agency.
Birch Dowels.....	835	Auckland, New Zealand...	Purchase.
Doors.....	836	Bristol, England.....	Purchase or Agency.
Bungs and Spiles for Brewing Industry.	837	Liverpool, England.....	Purchase or Agency.
Artificial Leather or Leather Substitutes for Footwear.	838	Milan, Italy.....	Purchase and Agency.
Sole Leather.....	839	Bristol, England.....	Purchase or Agency.



## PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

### From Montreal

*To Newcastle and Leith.*—Cairnglen, Cairn-Thomson Line, Nov. 29.

*To St. John's, Nfld.*—Imogene, Shaw SS. Co. Ltd., Nov. 29.

### From Saint John

*To Liverpool.*—Montclare, Dec. 3 and 31; Duchess of Bedford, Dec. 10; Duchess of Atholl, Dec. 15; Montrose, Dec. 24—all Canadian Pacific.

*To London.*—Beaverdale, Dec. 2 and 30; Beaverbrae, Dec. 9; Beaverburn, Dec. 16; Beaverhill, Dec. 23—all Canadian Pacific.

*To Manchester.*—Manchester City, Dec. 9; Manchester Citizen, Dec. 16; Manchester Regiment, Dec. 23; Manchester Commerce, Dec. 30; Manchester Port, Jan. 6—all Manchester Line.

*To Southampton.*—Duchess of Richmond, Canadian Pacific, Dec. 14.

*To Avonmouth (Port of Bristol), Cardiff and Swansea.*—Norwegian, Dec. 18; Dorelian, Dec. 28; Dakotian, Jan. 14—all Cunard-Donaldson and Dominion Lines.

*To Glasgow.*—Athenia, Dec. 11; Delilian, Dec. 31—both Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Cairnmona (also calls at Dundee), Dec. 14; Cairnross (does not call at Leith), Dec. 28; Cairnesk, Jan. 11—all Cairn-Thomson Line.

*To Dublin and Belfast.*—Torr Head, Head Line, Dec. 28.

*To Antwerp and Havre.*—Beaverhill (does not call at Havre), Canadian Pacific, Dec. 23; Hada County, Dec. 23; Flint II (does not call at Havre), Jan. 8; Brant County, Jan. 17—all County Line.

*To Rotterdam.*—Hada County, Dec. 23; Flint II, Jan. 8; Brant County, Jan. 17—all County Line.

*To Hamburg.*—Beaverburn, Dec. 16; Beaverford, Jan. 13—both Canadian Pacific.

*To Marseilles, Genoa, Leghorn, Naples, Messina and Palermo.*—Capo Lena, Dec. 16; Capo Olmo, Jan. 13—both Capo Line (call at Lisbon if sufficient cargo offers).

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Drake, Dec. 8; Lady Nelson, Dec. 22; Lady Hawkins, Jan. 5—all Canadian National.

*To Kingston (Jamaica).*—A steamer, United Fruit Co., Dec. 4 and 18.

*To Brisbane, Sydney, Melbourne and Adelaide.*—Port Halifax, Montreal-Australia-New Zealand Line, Dec. 21.

*To Auckland, Wellington, Lyttelton and Dunedin.*—Kaikoura (also calls at Timaru and Bluff), Dec. 11; Port St. John, Jan. 11—both Montreal-Australia-New Zealand Line.

*To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta, Manila, Hongkong and Dairen.*—City of Worcester (does not call at Rangoon), Nov. 29; City of Bath, Dec. 14; City of Salisbury, Dec. 25—all Canada-India Service (cargo accepted for transshipment at Aden, call at other ports as cargo offers).

*To Cape Town, Port Elizabeth, East London and Durban.*—Hope Crest, Cosmopolitan Navigation Co., Dec. 7; Loch Ranza, Dec. 14; Dunkeld (also calls at Sierra Leone, Walvis Bay, Lourenco Marques and Beira), Dec. 26—both Elder Dempster Lines Ltd.

*To Buenos Aires and Montevideo.*—Nordkap, Guardiaz Line, Dec. 4.

### From Halifax

*To Liverpool.*—Montclare, Dec. 4; Duchess of Bedford, Dec. 11; Duchess of Atholl, Dec. 16; Montrose, Dec. 25—all Canadian Pacific; Carinthia, Dec. 6; Aurania, Dec. 26; Scythia, Jan. 9—all Cunard-White Star Line; Newfoundland, Dec. 18; Nova Scotia, Jan. 4—both Furness Line; Manchester Exporter, Manchester Line, Dec. 23.

*To London.*—Sparandam, Holland-America Line, Nov. 30; Beaverdale, Dec. 3; Beaverbrae, Dec. 10; Beaverburn, Dec. 17; Beaverhill, Dec. 24—all Canadian Pacific; Andania, Dec. 4; Ausonia, Dec. 11; Ascania, Dec. 18—all Cunard-White Star Line.

*To Manchester.*—Manchester Brigade, Nov. 30; Manchester City, Dec. 11; Manchester Citizen, Dec. 18; Manchester Regiment, Dec. 25; Manchester Commerce, Jan. 1; Manchester Port, Jan. 8—all Manchester Line.

*To Southampton.*—Duchess of Richmond, Canadian Pacific, Dec. 15.

*To Glasgow.*—Athenia, Dec. 12; Delilian, Jan. 2—both Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Gitano, Dec. 8; Kyno, Dec. 22; Consuelo, Jan. 5—all Ellerman's Wilson Line (call at Aberdeen but not at Leith); Cairnmona (also calls at Dundee), Dec. 16; Cairnross (does not call at Leith), Dec. 30; Cairnesk, Jan. 13—all Cairn-Thomson Line.

*To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—Boston City, Dec. 15; New York City, Jan. 8—both Bristol City and Dominion Lines; Norwegian, Dec. 21; Dorelian, Dec. 31; Dakotian, Jan. 18—all Cunard-Donaldson and Dominion Lines.

*To Antwerp.*—Beaverhill, Canadian Pacific, Dec. 24.  
*To Rotterdam.*—Spaarndam, Holland-America Line, Nov. 30.  
*To Hamburg.*—Beaverburn, Dec. 17; Beaverford, Jan. 14—both Canadian Pacific.  
*To Gothenburg.*—Gripsholm, Swedish-America Line, Dec. 10; Blankaholm (also calls at Scandinavian ports), Swedish-America-Mexico Line, Dec. 20.  
*To St. John's, Nfld.*—Belle Isle (also calls at St. Pierre-Miquelon), Newfoundland-Canada SS. Ltd., Nov. 29, Dec. 13 and 27; Nova Scotia, Nov. 30 and Jan. 4; Newfoundland, Dec. 18—both Furness Line; Portia, Newfoundland Ry. and SS. Co., Dec. 1; Fort Amherst, Furness-Red Cross Line, Dec. 6 and 20.  
*To Hamilton, Nassau, Kingston and Belize.*—Cavelier (does not call at Hamilton or Nassau), Dec. 2; Lady Somers, Dec. 9; Cathcart (does not call at Hamilton or Nassau), Dec. 16; Lady Rodney, Dec. 23—all Canadian National.  
*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Hawkins, Dec. 2; Lady Drake, Dec. 16; Lady Nelson, Dec. 30—all Canadian National.  
*To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer, Dec. 11 and 24—both Ocean Dominion SS. Corp (call at Guadeloupe and Martinique if sufficient cargo offered).  
*To Puerto Rico, Barbados, Trinidad and Demerara.*—Chomedy, Nov. 29; Colborne, Dec. 18—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).  
*To Santiago (Cuba) and Kingston (Jamaica).*—Kirsten B, Dec. 1 and 29; Ciss, Dec. 15—both Pickford & Black Ltd.  
*To Brisbane, Sydney, Melbourne and Adelaide.*—Port Halifax (also calls at Geelong), Montreal-Australia-New Zealand Line, Dec. 29.  
*To Auckland, Wellington, Lyttelton and Dunedin.*—Kaikoura (also calls at Timaru and Bluff), Dec. 19; Port Saint John, Jan. 19—both Montreal-Australia-New Zealand Line.  
*To Yokohama, Kobe, Hongkong, Manila, Cebu and Java.*—Chinese Prince, Furness-Prince Line, Dec. 20; Silversandal, Dec. 5; Silveryew, Jan. 2—both Silver Line.

### From Vancouver

*To Yokohama, Kobe and Osaka.*—Hiye Maru, Dec. 2; Heian Maru, Dec. 25; Hikawa Maru, Jan. 11—all Nippon Yusen Kaisha.  
*To Yokohama, Kobe, Hongkong and Manila.*—Empress of Russia (calls Nagasaki), Dec. 11; Empress of Japan (calls Honolulu), Dec. 25; Empress of Asia (calls Nagasaki), Jan. 8; Empress of Canada (calls Honolulu), Jan. 22—all Canadian Pacific; Talthebius, Dec. 4; Tyndareus, Jan. 6—both Blue Funnel Line (call at Miike but not at Manila).  
*To Manila, Iloilo, Cebu, Macassar, Soerabaya, Samarang, Batavia, Singapore, Port Swettenham, Belawan Deli, Colombo, Bombay and Persian Gulf Ports.*—Hoegh Transporter, Dec. 2; Bengkalis, Jan. 1—both Silver-Java Pacific Line.  
*To Honolulu, Suva, Auckland and Sydney.*—Aorangi, Dec. 22; Niagara, Jan. 18—both Canadian-Australasian Line.  
*To Papeete, Auckland, Wellington, Lyttelton, Dunedin, Melbourne and Sydney.*—Limerick, Canadian-Australasian Line, Dec. 20.  
*To Brisbane, Sydney, Melbourne and Adelaide.*—Llandaff, Empire Shipping Co., Dec. 15.  
*To London, Liverpool and Rotterdam.*—Delftdyk (calls at Glasgow), Dec. 11; Lochgoil, Dec. 25; Lochmonar (calls at Glasgow), Jan. 8; Drechtdyk, Jan. 22—all North Pacific Coast Line.  
*To Antwerp, Hamburg and Bremen.*—Vancouver, Dec. 8; Oakland, Jan. 1—both Hamburg-American Line; Schwaben, Nov. 29; Elbe, Dec. 20—both North German Lloyd Line.  
*To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.*—Wyoming, Empire Shipping Co., Dec. 10.  
*To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.*—Cellina, Dec. 21; Leme, Jan. 26—both Empire Shipping Co.  
*To Port of Spain (Trinidad) and Bridgetown (Barbados).*—Brynje, Canadian Transport Co., about Dec. 6.  
*To Kingston (Jamaica), Trinidad and Demerara.*—British Monarch, Canadian Transport Co., early December.  
*To Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques, Beira, Colombo, Calcutta and Madras.*—Silverpalm, Dec. 4; Salawati, Jan. 4—both Silver-Java Pacific Line; Arna (does not call at East London, Colombo, Calcutta or Madras), North Pacific Shipping Co. Ltd., early December.  
*To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.*—Leikanger, Empire Shipping Co., Dec. 24.

**Note.**—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.



# COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

## CANADIAN GOVERNMENT TRADE COMMISSIONERS

### Argentina

J. A. STRONG, B. Mitre 430, Buenos Aires (1). (Territory includes Uruguay.) *Cable address, Canadian.*

### Australia

*Sydney*: L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh Streets. (Territory covers Federal District of Canberra, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

*Melbourne*: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building, Melbourne. (Territory covers States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

### Belgium

YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

### Brazil

L. S. GLASS. Address for letters—Caixa Postal 2164, Rio de Janeiro. Office—Ed. Da. "A. Noite," Sala 802, Praca Maua. *Cable address, Canadian.*

### British Malaya

B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory covers the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

### British West Indies

*Trinidad*: M. B. PALMER. Address for letters—P.O. Box 125, Port of Spain. Office—Colonial Bank Building. (Territory includes Barbados, Windward and Leeward Islands, and British Guiana.) *Cable address, Canadian.*

*Jamaica*: F. W. FRASER, P.O. Box 225, Office—Canadian Bank of Commerce Chambers, Kingston. (Territory covers Jamaica, Haiti, the Bahamas, and British Honduras.) *Cable address, Canadian.*

### China

*Shanghai*: H. A. SCOTT. Address for letters—P.O. Box 264. Office—Ewo Building, 27 The Bund, Shanghai. (Territory covers Central China and North China.) *Cable address, Canadian.*

### Cuba

C. S. BISSETT. Address for letters—Apartado 1945, Havana. Office—Royal Bank of Canada Building, Calle Aguiar 75, Havana. (Territory includes Dominican Republic and Puerto Rico.) *Cable address, Canadian.*

### Egypt

HENRI TURCOT. Address for letters—P.O. Box 1770, Cairo. Office—22 Shari Kasr el Nil, Cairo. (Territory includes the Sudan, Palestine, Cyprus, Iraq, Syria, Iran, Greece, Turkey, Bulgaria, and Roumania.) *Cable address, Canadian.*

### France

HERCULE BARRÉ, Commercial Attaché, 3 rue Scribe, Paris (9). (Territory includes French Colonies in North Africa.) *Cable address, Cancocomac.*

### Germany

J. C. MACGILLIVRAY, Mönckebergstrasse 31, Hamburg. (Territory includes Germany, Czechoslovakia, Austria, and Poland.) *Cable address, Canadian.*

### Hongkong

V. E. DUCLOS. Address for letters—P.O. Box 80, Hongkong. Office—Gloucester Building, Hongkong. (Territory includes South China, the Philippines, and Indo-China.) *Cable address, Canadian.*

### British India

PAUL SYKES. Address for letters—P.O. Box 2003, Calcutta. Office—23 Esplanade Mansions, Government Place East, Calcutta. (Territory includes Burma and Ceylon.) *Cable address, Canadian.*

### Irish Free State and Northern Ireland

JAMES CORMACK, 66 Upper O'Connell Street, Dublin, Irish Free State (*cable address, Canadian*); and 36 Victoria Square, Belfast, Northern Ireland.

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**CANADIAN GOVERNMENT TRADE COMMISSIONERS—Con.**

**Italy**

A. B. MUDDIMAN, Via Manzoni Nr. 5, Milan (102). (Territory includes Spain, Portugal, Gibraltar, Malta, Albania, and Yugoslavia.) *Cable address, Canadian.*

**Japan**

Tokyo: C. M. CROFT, Commercial Secretary. Address for letters—P.O. Box 401, Tokyo Central. Office—Canadian Legation, 16 Omotecho, 3-chome, Akasakaku, Tokyo. *Cable address, Canadian.*

Kobe: P. V. McLANE. Address for letters—P.O. Box 230, Kobe. Office—309 Crescent Building, 72 Kyomachi, Kobe. *Cable address, Canadian.*

**Mexico**

R. T. YOUNG. Address for letters—Apartado Num. 126-Bis, Mexico City. Office—Edificio Banco de Londres y Mexico, Num. 30, Mexico City. (Territory includes Guatemala, Honduras, and Salvador.) *Cable address, Canadian.*

**Netherlands**

J. A. LANGLEY, Coolsingel 111b, Rotterdam. (Territory includes Switzerland.) *Cable address, Canadian.*

**New Zealand**

W. F. BULL. Address for letters—P.O. Box 33, Auckland. Office, Yorkshire House, Shortland Street, Auckland. (Territory includes Fiji and Western Samoa.) *Cable address, Canadian.*

**Norway**

RICHARD GREW, Stortingsgaten 28, Oslo. (Territory includes Sweden, Denmark, and Finland.) *Cable address, Canadian.*

**Panama**

W. J. RIDDIFORD. Address for letters—P.O. Box 222, Panama City. Office—Royal Bank of Canada Building, Santa Ana Plaza, Panama City. (Territory includes the Canal Zone, Venezuela, Colombia, Nicaragua, and Costa Rica.) *Cable address, Canadian.*

**Peru**

M. J. VECHSLER. Address for letters—Casilla 1212, Lima. Office—Portal de Belén No. 166, Plaza San Martin, Lima. (Territory includes Bolivia, Ecuador, and Chile.) *Cable address, Canadian*

**South Africa**

Cape Town: G. R. HEASMAN. Address for letters—P.O. Box 683, Cape Town. Office—Cleghorn & Harris Building, Adderley Street, Cape Town. (Territory includes Cape Province and Southwest Africa, Natal, Tanganyika, Kenya, Uganda, Mauritius, and Madagascar.) *Cable address, Cantracom.*

Johannesburg: J. L. MUTTER. Address for letters—P.O. Box 715, Johannesburg. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

**United Kingdom**

London: FREDERIC HUDD, Chief Trade Commissioner in the United Kingdom, Canada House, Trafalgar Square, S.W.1. *Cable address, Sleighing, London.*

London: J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W.1. (Territory covers Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

London: W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C.2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—covers United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

London: W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W.1. *Cable address, Agrilson.*

Liverpool: H. R. POUSETTE, Martins Bank Building, Water Street. (Territory covers North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

Bristol: E. L. MCCOLL, Northcliffe House, Colston Avenue. (Territory covers West of England, South Wales, and South Midlands.) *Cable address, Canadian.*

Glasgow: G. B. JOHNSON, 200 St. Vincent Street. (Territory covers Scotland.) *Cable address, Cantracom.*

**United States**

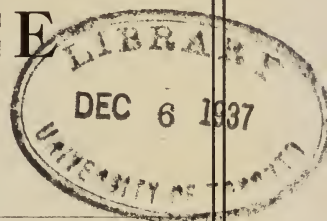
New York City: D. S. COLE, British Empire Building, Rockefeller Center. (Territory includes Bermuda.) *Cable address, Cantracom.*

**Note.—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.**



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Canadian Section at Imperial Fruit Show, 1937, Birmingham,  
England

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THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE  
JAMES G. PARMELEE, DEPUTY MINISTER

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Vol. LVII

Ottawa, December 4, 1937

No. 1766

## TRADE OF THE GOLD COAST, 1936

H. L. BROWN, ASSISTANT TRADE COMMISSIONER

[Mr. H. L. Brown, Assistant Trade Commissioner at London, will visit British West Africa early in 1938. Canadian exporters interested in this market, who desire to have investigations made on their behalf, should communicate immediately with the Canadian Trade Commissioner, Canada House, Trafalgar Square, London, S.W. 1.]

London, November 16, 1937.—Statistics recently made available indicate that the aggregate trade of the Gold Coast in 1936 totalled £24,293,618 as compared with £17,928,315 in 1935; although there was an abnormal movement of specie and currency, the increase was very satisfactory.

### EXPORT TRADE

The total value of exportations, including re-exportations, was £12,636,899 in 1936 as compared with £9,971,535 in 1935. The principal commodities exported, with values for 1936, were: cocoa, £7,659,743; gold, £3,047,545; manganese ore, £612,930; diamonds, £584,997; palm kernels, £107,196; unmanufactured timber, £105,657; copra, £25,942; rubber, £24,048; lime juice and other lime products, £22,247; and hides and skins, £7,574.

The distribution of this trade by principal countries was as follows: United Kingdom, £6,058,958; other British Empire countries, £365,136 (Canada, £139,047); United States, £2,843,609; Germany, £1,636,111; Holland, £743,470.

### IMPORT TRADE

The total value of importations, including specie and currency notes, was £11,656,719 in 1936, being £3,699,939 or 46·5 per cent more than the figure of £7,956,780 in 1935. As, however, the value of specie and currency notes imported was abnormally high at £3,125,830 as against an average of about £500,000 for the three previous years, it is necessary to make some allowance in computing the increase of consumable goods; even so the increase was very satisfactory, since the value of imports other than specie and currency increased from £7,375,935 in 1935 to £8,530,890 in 1936.

### PORTS OF ENTRY

Takoradi and Accra continue to share the bulk of the importations, as also of exportations. The following are the values of merchandise imported through each port in 1936: Takoradi, £3,740,537; Accra, £3,492,886; Winneba, £390,581; Cape Coast, £328,803; Keta, £152,667; Saltpond, £143,558; Ada, £101,087; Half Assini, £14,649. Of the balance, parcel post accounted for £131,786 and imports valued at £34,336 entered by the land frontiers.

## IMPORTS BY COUNTRIES AND MAIN CLASSES

The following table indicates in brief form the value of importations during 1936 from the principal countries of supply and shows also the distribution by main groups. Imports are classified by countries of origin, which, in the case of primary products, is the country where they are grown or produced and, in the case of manufactured articles, the country where the manufacturing process is substantially completed. Raw materials and articles mainly unmanufactured, which totalled £135,538 in value and were supplied mainly by the United Kingdom and Nigeria, are not shown separately but are included in the totals. Specie and currency notes are likewise not shown separately but are included in the totals; the United Kingdom is credited with £2,871,542 of the total of £3,125,980, and most of the remainder was from French Togoland.

*Imports into the Gold Coast, 1936*

	Food, Drink and Tobacco	Manufactured Articles	Total Imports
Total . . . . .	£1,489,450	£6,905,211	£11,656,719
United Kingdom . . . . .	499,528	4,065,768	7,499,788
Other British Empire countries..	177,311	287,341	527,301
India . . . . .	86,751	129,068	215,819
Nigeria . . . . .	42,371	76,066	180,443
Canada . . . . .	22,251	51,961	74,272
Hongkong . . . . .	.....	27,308	27,308
New Zealand . . . . .	11,933	.....	11,933
United States . . . . .	258,820	588,041	852,482
Germany . . . . .	65,083	526,525	592,733
Holland . . . . .	67,742	354,377	422,151
Japan . . . . .	8,419	296,604	305,023
Czechoslovakia . . . . .	40,455	176,648	217,116
Belgium . . . . .	12,962	168,305	181,317
France . . . . .	17,209	72,608	102,460
Italy . . . . .	3,190	97,293	100,491
Argentina . . . . .	89,021	14	89,100
Dutch West Indies . . . . .	.....	81,699	81,699
Canary Islands . . . . .	64,677	769	65,501
Switzerland . . . . .	2,351	44,196	46,547
China . . . . .	786	44,149	44,935
Denmark . . . . .	42,990	898	43,888

As would be expected, over 25 per cent of the total importations of manufactured articles was made up of cotton textiles.

The items credited to Canada consisted mainly of rubber tires, £25,365; automobiles, £20,580, and parts £3,261; wheat flour, £15,960; canned fish, £4,823; and chemicals, £1,754.

## CUSTOMS TARIFF

With relatively few exceptions, the rate of duty is 20 per cent ad valorem; some of the exceptions of interest to Canadian exporters are: wheat flour and milk, free of duty; spirits, 33s. 6d. per imperial gallon of 50 degrees proof or pro rata; unmanufactured tobacco, 2s. 3d. per pound; footwear other than leather, 9d. per pair or 20 per cent; calcium carbide, ¼d. per pound.

## COMMODITIES IMPORTED

Following is a summary of the most important of the commodities imported into the Gold Coast in 1936 together with the countries of supply; values are in pounds sterling and quantities in long tons of 2,240 pounds:—

## FOOD, DRINK, AND TOBACCO (£1,489,450)

*Biscuits, Ship's.*—23,857 cwt., £40,763: United Kingdom mainly.

*Biscuits, Other.*—6,824 cwt., £31,861: United Kingdom, Belgium, Germany.

*Butter.*—1,953 cwt., £14,802: New Zealand, Denmark, United Kingdom.



*Cheese*.—1,134 cwt., £5,946: Holland and United Kingdom mainly.  
*Confectionery*.—4,706 cwt., £17,910: United Kingdom mainly.  
*Fish, Canned or Preserved*.—55,196 cwt., £118,068: United States, 35,279 cwt., £69,567; Portugal, 11,448 cwt., £31,340; Japan, 4,763 cwt., £8,171; Canada, 2,473 cwt., £4,823; Russia, 753 cwt., £2,073.  
*Fish, Dried, Salted, Smoked, etc.*—61,910 cwt., £88,909: Canary Islands, 44,401 cwt., £61,598; balance mainly from other parts of West Africa.  
*Fish, Fresh*.—507 cwt., £2,764: United Kingdom mainly.  
*Fruit, Fresh*.—£3,396: United States and South Africa mainly.  
*Fruit, Dried*.—492 cwt., £1,328: Mediterranean countries mainly.  
*Fruit, Canned and Bottled*.—89,079 lbs., £2,522: United States and United Kingdom mainly.  
*Other Preserves*.—70,310 lbs., £2,146: United Kingdom mainly.  
*Rice*.—233,666 cwt., £102,855: British India, French Indo-China.  
*Wheat Flour*.—152,542 cwt., £118,157: United States, 130,616 cwt., £100,017; Canada, 19,977 cwt., £15,960.  
*Lard*.—911 cwt., £3,114: United Kingdom, parts of West Africa.  
*Beef and Pork, Pickled or Salted*.—31,739 cwt., £37,758: Denmark mainly.  
*Meats, Canned or Bottled*.—37,651 cwt., £91,073: Argentina, Uruguay.  
*Meats, Fresh*.—41,152 cwt., £23,365: United Kingdom, Argentina, New Zealand, Denmark.  
*Meats, Smoked or Cured*.—5,369 cwt., £10,361: Denmark, United Kingdom, Lithuania, Argentina.  
*Milk*.—13,409 cwt., £30,692: United Kingdom mainly, Denmark, Holland.  
*Oils, Edible*.—186,773 gals., £23,658: United Kingdom mainly, Denmark, Holland.  
*Pickles and Sauces*.—£2,811: United Kingdom mainly.  
*Provisions, n.o.p.*—£26,160: United Kingdom, Nigeria.  
*Salt*.—£35,287: United Kingdom, Spain.  
*Beer, etc.*—462,783 gals., £63,730: Germany, United Kingdom.  
*Gin*.—116,575 gals., £55,460: Holland, United Kingdom.  
*Whisky*.—43,043 gals., £49,897: United Kingdom only.  
*Wine*.—£18,740: Spain, France, Germany, Holland.  
*Sugar*.—105,341 cwt., £77,967: United Kingdom, Czechoslovakia.  
*Tea*.—52,287 lbs., £6,227: India and Ceylon.  
*Tobacco, Unmanufactured*.—1,710,234 lbs., £75,392: United States.  
*Tobacco, Manufactured (cigarettes mainly)*.—£203,951: United Kingdom mainly.  
*Vegetables, Fresh*.—17,214 cwt., £11,215: Canary Islands, Madeira, Holland, United Kingdom.  
*Vegetables, Canned or Preserved*.—2,936 cwt., £6,567: United Kingdom, Italy.

\* RAW MATERIALS AND ARTICLES MAINLY UNMANUFACTURED (£135,538)

*Coal*.—57,506 tons, £76,169: Nigeria, United Kingdom.  
*Lime*.—3,459 tons, £17,950: United Kingdom mainly.  
*Tar*.—645,857 tons, £19,758: United Kingdom mainly.  
*Lumber, Sawn or Hewn, Not Dressed*.—331,667 super. ft., £6,007: United States mainly, United Kingdom.  
*Lumber, Sawn or Hewn, Wholly or Partly Dressed*.—250,676 super. ft., £3,715: United States, Baltic countries.

ARTICLES WHOLLY OR MAINLY MANUFACTURED (£6,905,211)

TEXTILES (£2,634,830)

*Cardigans, Pullovers, etc.*—£3,769: United Kingdom mainly.  
*Shirts*.—449,835, £36,281: United Kingdom, Hongkong, Japan, Poland.  
*Singlets*.—1,540,949, £35,727: Hongkong, Japan, Holland.  
*Socks and Stockings, All Kinds*.—19,246 doz. pairs, £5,921: United Kingdom, Japan.  
*Other Apparel*.—£89,686: United Kingdom, Japan.  
*Bags and Sacks*.—5,492,931, £119,052: India mainly.  
*Boots and Shoes, Leather*.—73,984 pairs, £22,415: United Kingdom, Czechoslovakia, Japan.  
*Boots and Shoes, Other than Leather*.—422,981 pairs, £20,538: Japan mainly.  
*Cordage*.—9,849 cwt., £46,944: United Kingdom mainly.  
*Twine*.—2,365 cwt., £15,026: United Kingdom, Germany, Austria.  
*Cotton Piece-goods*.—£1,700,228: United Kingdom mainly, Holland, Germany, Italy, China, Japan.  
*Cotton Manufactures, n.o.p.*—£153,346: United Kingdom, Japan.  
*Headgear*.—£48,074: Japan, United Kingdom, Czechoslovakia, Germany, India.  
*Silk Manufactures (except Apparel)*.—£15,867: United Kingdom, Japan, China.  
*Artificial Silk Piece-goods*.—£257,046: Czechoslovakia, United Kingdom, Germany, France, Italy.  
*Wool Manufactures (except Apparel)*.—£43,498: United Kingdom mainly.

## METALS (£2,448,574)

- Railway Rolling Stock*.—£124,118: United Kingdom mainly.  
*Automobiles*.—1,904, £214,185: United States, 1,312, £132,529; United Kingdom, 352, £55,794; Canada, 198, £20,580.  
*Automobile Parts*.—£65,328: United States, £36,696; United Kingdom, £19,704; Germany, £4,935; Canada, £3,261.  
*Bicycles and Tricycles*.—2,962, £11,510: United Kingdom, Germany, Japan.  
*Clocks and Watches*.—£12,997: Switzerland and Germany mainly.  
*Cutlery*.—£25,902: Germany mainly, Japan, United Kingdom.  
*Electrical and Telegraphic Apparatus*.—£93,689: United Kingdom mainly, Hongkong, Germany, United States, Japan.  
*Implements and Tools, Agricultural*.—£32,951: United Kingdom, Germany.  
*Implements and Tools, Artisans'*.—£35,809: United Kingdom, Germany, United States.  
*Instruments, Scientific*.—£22,434: United Kingdom, Japan, Germany.  
*Machinery, Electrical*.—£199,844: United Kingdom.  
*Machinery, Industrial*.—£39,890: United Kingdom, also Germany and United States.  
*Machinery, Marine*.—£4,441: United Kingdom.  
*Machinery, Mining and Gold Dredging*.—£600,915: United Kingdom, £519,872; United States, £49,994; Germany, £14,769; Holland, £8,688.  
*Machinery, Railway and Tramway*.—£77,067: United Kingdom.  
*Machinery, Water Boring and Pumping*.—£5,200: United Kingdom.  
*Sewing Machines*.—£18,091: Germany, United Kingdom.  
*Typewriters*.—£7,154.  
*Brass and Manufactures*.—£15,110: Germany, United Kingdom.  
*Copper and Manufactures*.—£5,886: United Kingdom.  
*Corrugated Sheet Iron*.—12,412 tons, £201,177: United Kingdom, Belgium.  
*Buckets, Pails, and Basins*.—206,539 doz., £51,650: Germany, Japan, United Kingdom, Belgium.  
*Lamps and Lanterns*.—40,674 doz., £28,793: Germany, United States.  
*Other Iron and Steel Manufactures (excepting Cutlery and Tools)*.—£470,348: United Kingdom, Germany, Belgium, Czechoslovakia, Japan, Sweden.  
*Lead and Manufactures*.—£8,107: United Kingdom, Belgium.  
*Tin and Manufactures*.—£20,763: United Kingdom.  
*Zinc and Manufactures*.—£3,655: United Kingdom, United States.

## MISCELLANEOUS (£1,821,807)

- Arms, Ammunition, and Explosives*.—£143,852: United Kingdom mainly.  
*Bags, Trunks, and Valises*.—£25,128: United Kingdom mainly.  
*Beads*.—418,707 lbs., £45,154: Czechoslovakia, Italy.  
*Blacking and Polishes*.—3,207 cwt., £11,842: United Kingdom, Germany, Japan.  
*Blue*.—3,921 cwt., £17,544: Belgium, United Kingdom.  
*Books*.—£26,787: United Kingdom mainly.  
*Brooms and Brushes*.—19,575 doz., £6,971: United Kingdom, Germany.  
*Calcium Carbide*.—13,266 cwt., £17,741: Norway, United Kingdom, Switzerland, Austria, Germany.  
*Candles*.—12,967 cwt., £28,166: United Kingdom.  
*Cement*.—61,365 tons, £130,522: United Kingdom, Germany.  
*Chemicals, n.o.p.*.—£53,131: United Kingdom.  
*Earthenware*.—£23,946: Germany, Japan, United Kingdom.  
*Glass Bottles, Lamp Chimneys, and Tableware*.—£16,585: Germany, United Kingdom, Belgium, Czechoslovakia.  
*Glass, Other*.—£16,704: Japan, Belgium, United Kingdom.  
*Leather, Not Dressed*.—61,274 lbs., £2,297: Sierra Leone, Nigeria.  
*Leather, Dressed*.—73,283 lbs., £4,716: United Kingdom mainly.  
*Matches*.—£25,078: Sweden.  
*Medicines and Drugs*.—£118,004: United Kingdom, Germany, United States.  
*Musical Instruments*.—£17,693: United Kingdom, Germany.  
*Oils, Illuminating*.—£70,457: United States mainly.  
*Oils, Lubricating*.—£44,273: United States, United Kingdom.  
*Oils, Fuel*.—£62,102: Dutch West Indies.  
*Gasolene*.—£230,106: United States mainly.  
*Oils, Other*.—£18,366: United Kingdom mainly.  
*Oilcloth and Linoleum*.—£2,153: United Kingdom.  
*Paints and Colours*.—14,349 cwt., £33,529: United Kingdom mainly.  
*Paper (except Sensitized)*.—£23,838: United Kingdom, Finland.  
*Perfumery (except Soap)*.—£78,371: United Kingdom, Japan, Germany, Belgium, United States.



*Rubber Tires.*—£90,845: United Kingdom, £27,380; Canada, £25,365; France, £23,554; United States, £12,064.

*Rubber Manufactures, Other.*—£4,315: United Kingdom mainly.

*Soap, Toilet.*—£5,832: United Kingdom, Germany, Japan.

*Soap, Other.*—£84,150: United Kingdom, Holland.

*Spirits, not Potable.*—£27,161: United Kingdom, Germany, France.

*Stationery (Other than Paper).*—£41,033: United Kingdom mainly.

*Toys and Games.*—£18,414: United Kingdom, Japan, Germany.

*Umbrellas and Parasols.*—£15,001: Japan mainly.

*Casks, Shooks, Staves, etc.*—£7,015: United Kingdom, United States.

*Wood and Timber, Manufactured, Other.*—£22,231: United Kingdom, £9,084; Germany, £3,625; Japan, £2,290; United States, £1,608; India, £1,240.

## AUSTRALIAN CANNED FRUIT EXPORTS, 1937 SEASON

FREDERICK PALMER, CANADIAN TRADE COMMISSIONER

Melbourne, October 21, 1937.—The Canned Fruits Control Board of Australia has issued particulars of exports of canned fruits from the Commonwealth to various destinations for the past season (January 1 to September 30, 1937). September 30 is the closing date for shipments to the United Kingdom, and the only exports likely to take place after this date are small shipments to the East.

Total exports of apricots for the 1937 season were 111,903 cases, of which 86,994 went to the United Kingdom, 12,542 to New Zealand, and 8,353 cases to Canada. United Kingdom imports of canned apricots consisted of 72,769 cases of the 30-ounce tins and 14,225 cases of the 16-ounce size, New Zealand took 11,225 cases of 30-ounce tins and 1,317 cases of 16-ounce tins, and Canada 2,573 cases of the 30-ounce and 5,780 cases of the 16-ounce size.

Canned peaches held the largest share of the canned fruits export trade. The total exports for the season were 740,262 cases, of which the United Kingdom took 511,297 cases of 30-ounce tins and 120,660 cases of 16-ounce tins. Canada was the second largest importer with 18,947 cases of 30-ounce tins and 35,530 cases of the 16-ounce size, as well as 6,710 cases of 104-ounce tins and 2,450 cases of the 20-ounce size. New Zealand was credited with 32,780 cases of 30-ounce tins and 2,230 cases of 16-ounce tins. Smaller shipments of canned peaches went to the East.

Total exports of canned pears amounted to 716,528 cases, consisting of 581,468 cases of 30-ounce tins shipped to the United Kingdom, 14,162 cases of the same size shipped to New Zealand, and 3,318 cases to Canada. The United Kingdom was credited with 105,768 cases of 16-ounce tins, Canada took 2,307 cases of this size, while New Zealand was responsible for 1,196 cases. Smaller shipments of the 30-ounce and 16-ounce tins went to the East.

Canned fruit salad exports totalled 5,541 cases for the season under review. Canada took 2,900 cases, the East was second with 1,786 cases, while the United Kingdom imported 760 cases.

Total exports of canned pineapples amounted to 30,660 cases, of which the United Kingdom is credited with 13,562 cases of the 30-ounce size, Canada with 14,372 cases of the 20-ounce tins, and New Zealand 1,457 cases of the 30-ounce size.

Total exports of all canned fruits for the 1937 season aggregated 1,604,894 cases, which are apportioned as follows:—

Country	Apricots Cases	Peaches Cases	Pears Cases	Fruit Salad Cases	Pine- apples Cases	Total Cases
United Kingdom . . . .	86,994	631,957	687,236	760	13,862	1,420,809
New Zealand . . . . .	12,542	35,010	15,358	28	1,670	64,608
Canada . . . . .	8,353	63,637	5,625	2,900	14,722	95,237
East . . . . .	3,080	7,925	5,442	1,786	128	18,361
Other countries . . . . .	934	1,733	2,867	67	278	5,879
<b>Total . . . . .</b>	<b>111,903</b>	<b>740,262</b>	<b>716,528</b>	<b>5,541</b>	<b>30,660</b>	<b>1,604,894</b>

## AUSTRALIAN WHEAT AND FLOUR

FREDERICK PALMER, CANADIAN TRADE COMMISSIONER

Melbourne, October 15, 1937.—Exports of wheat and flour from Australia for the period beginning December 1 to the week ending October 4 totalled 86,974,236 bushels compared with 84,897,680 bushels for the corresponding period of 1935-36 and 88,849,352 bushels for 1934-35.

During the past month the market for Australian wheat overseas has considerably improved, but at the present time it has taken a decidedly weaker turn, due principally to a lack of confidence evident in all markets. Japan, on the other hand, has been a steady buyer of parcels of Victorian wheat on the basis of approximately 45s.(A) per quarter, equivalent to \$8.88, but this demand is not expected to last, as buyers from this source have only been able to pay this price owing to exceptionally cheap parcel freights. Japanese houses continue to report difficulty in obtaining import licences.

The price of wheat to growers is about 4s. 7d. (Australian currency) per bushel at country sidings, equivalent to 90 cents Canadian, and the price per bushel f.o.b. steamer is approximately 5s. 2½d. (Australian currency), equivalent to \$1.03 Canadian.

Although the exports of wheat from Australia recently have been of relatively small proportions, the surplus stocks are being gradually reduced and indications are that the carryover into the new season will be small. Practically the whole of the stocks in South Australia and Western Australia have been committed, and the New South Wales elevators contain only about 1,500,000 bushels, whereas Victoria has approximately 20,000 tons still available for export and not yet committed.

### NEW CROP

Considerable anxiety had been felt concerning the crops in New South Wales and Victoria, but fortunately very beneficial rains fell during the past week and the prospects are now considerably brighter. Various estimates have been given for the new crop ranging from 130,000,000 to 160,000,000 bushels, but recent general rains in Victoria have raised the estimate to 166,000,000 bushels, the distribution being approximately as follows: Western Australia, 33,000,000 bushels; South Australia, 40,000,000; Victoria, 40,000,000; New South Wales, 50,000,000; Queensland, 3,000,000 bushels.

If the latest estimate of 166,000,000 bushels is found correct, it will be the largest yield for Australia since 1933, when 177,280,000 bushels were harvested.

A new-crop cargo for the last half of November loading from Western Australia has been sold at 43s. 6d.(A) per quarter, equivalent to \$8.58 Canadian.

### FLOUR

Dairen purchased 2,500 tons for early October shipment, but other markets are quiet. Fairly large shipments are being made to the Near East in fulfilment of old contracts, but very little new business is being transacted. The high price of wheat is tending to restrict the consumption of flour, particularly in Eastern countries.

Export quotations for flour are £A10 10s. per ton in 150-pound sacks (equivalent to \$41.48 Canadian) and £A10 17s. 6d. per ton in 49-pound calico bags (equivalent to \$42.95 Canadian). The local price of flour delivered Melbourne and suburbs is £12 12s. 6d. per ton of 2,000 pounds (equivalent to \$49.81 Canadian).



## CHARTERING

The market for charters is quiet. For the new-crop freights contracts have been made at as high as 50s. 9d. per ton for bulk loading from South Australia and Victoria, but there is a tendency for freights to ease and contracts have since been made at 1s. per ton less. The ruling rate for parcel freight is 45s. per ton for October and November, and 47s. 6d. for December and January. Freights are payable in English currency on the basis of 2,240 pounds to the ton.

## NEW ZEALAND CLOVER AND BENT GRASS SITUATION

R. P. BOWER, ASSISTANT TRADE COMMISSIONER

(Values are in Canadian dollars converted at the rate of £1 N.Z. equals \$4 Canadian.  
A hundredweight is 112 pounds)

Auckland, October 30, 1937.—Statistics on the New Zealand clover and bent grass situation are very meagre. The latest figures available on areas cut for seed relate to the year 1935-36, when 134,405 acres were sown, yielding 1,727,233 bushels of 20 pounds, compared with 1,465,403 bushels from 133,933 acres in 1934-35. The Provinces of Canterbury, Otago, and Southland, all in the South Island, provided between them 86 per cent of the area cut.

The following table shows the areas and yields of the principal grass and clover crops harvested for seed in the last four years for which complete statistics are available:—

## Areas in Acres

Year	Rye	Cocks-	Chewings	Crested	Red Clover		White	Brown
	Grass	foot	Fescue	Dogstail	Grass	Clover	Top	
1932-33.. . . . .	86,924	11,923	9,426	2,935	10,633	4,360	8,465	
1933-34.. . . . .	45,930	9,496	7,834	2,699	11,565	6,698	7,936	
1934-35.. . . . .	66,448	12,309	11,294	3,475	13,496	10,292	15,140	
1935-36.. . . . .	66,625	13,516	13,768	6,546	10,654	6,584	14,936	

## Yields

Year	Bushels	Cwts.	Cwts.	Cwts.	Cwts.	Cwts.	Cwts.
1932-33.. . . . .	1,796,974	20,853	20,498	6,327	15,520	5,079	1,683
1933-34.. . . . .	758,180	6,470	12,528	4,091	16,417	7,451	2,401
1934-35.. . . . .	1,095,882	16,753	10,841	4,103	16,919	11,923	3,485
1935-36.. . . . .	1,281,710	21,205	21,125	9,062	16,135	7,020	1,793

In the above table second or catch crops are included in the yield figures, the total yield including crops obtained from areas which had previously yielded some other crop in the season concerned. The areas, however, do not include second crops, and the average yields therefore cannot be obtained by the division of the total yield by the area shown.

## IMPORTS AND EXPORTS

Most of the grass and clover seeds appear in both the import and the export statistics, although only in the case of alsike, other clover, lucerne, paspalum, *Poa pratensis*, and timothy are the imports greater than exports.

## CLOVER

*Alsike*.—Exports of New Zealand-produced alsike in 1936, entirely to Australia, were valued at \$92. Imports for the same period amounted to 1,226 cwts. valued at \$28,372, of which 876 cwts. (\$18,996) came from Canada, 328 cwts. (\$8,700) from Italy, and the remainder from the United Kingdom. With the

firm prices ruling in Canada, the New Zealand trade at the moment is not particularly interested in alsike, and importations are likely to be curtailed. This clover finds only a limited use in New Zealand, and with the present trend of grassland knowledge, its use is not likely to be extended.

*Red Clover, or Cow Grass.*—Exports of New Zealand red clover in 1936 amounted to 5,917 cwts. valued at \$101,456. The largest customer was Australia, credited with 2,588 cwts. (\$46,596), followed by the United Kingdom with 2,198 cwts. (\$34,328). Canada was the only other buyer of any importance, with purchases of 920 cwts. valued at \$16,624. There were small imports of red clover, the figures for 1936 showing 65 cwts. valued at \$660, 55 cwts. coming from Hungary and 10 cwts. from Australia.

Production figures for the present season are as yet unavailable. The Province of Marlborough has had a fair crop, although Canterbury was well below average.

The average price to growers opened at 4d. to 9d. (6·68 cents to 15 cents) per pound on F/D (farmer-dressed) quality, 9d. being paid for seeds which were sufficiently clean to market without further dressing. Prices eased later in the season and now average 7d. to 7½d. (11·7 cents to 12·5 cents) for good F/D lines and from 4d. to 6d. (6·68 cents to 10·02 cents) for offerings containing brown-coloured seed.

Average wholesale prices for M/D (machine-dressed) seed would range from 84s. (\$16.80) per cwt. for brown seed up to 110s. (\$22) for the choicest lots. Offerings equal to the Canadian No. 1 grade would be worth a little more.

It is not possible to estimate the domestic carryover. There have been heavy sowings of subterranean clover, which should result in a carryover into the coming season. It is also impossible to estimate the quantity available for export. The Canadian demand is almost entirely for No. 1 grade, which limits the quantity available for that market. The difficulty in obtaining an accurate estimate arises because the seeds are produced over a wide range of districts and the amount of stocks in the hands of growers and merchants is impossible to determine. The effect of the extensive use of subterranean clover on the consumption of red clover is of interest in that it is estimated that for every ton of subterranean imported there is one ton less of red clover used locally.

*White Clover.*—Exports of New Zealand white clover in 1936 totalled 3,170 cwts., of which 2,350 cwts. (\$62,380) went to the United Kingdom and 757 cwts. (\$26,376) to Australia. Canada during the same period took 19 cwts. valued at \$828. There were no imports of white clover into New Zealand during 1936.

*Other Clover.*—Under this heading statistics show exports in 1936 of 1,616 cwts. (\$19,380) and imports of 3,414 cwts. (\$85,192). The principal customers were: Australia, 229 cwts. (\$8,844); the United States, 522 cwts. (\$4,248); and the United Kingdom, 861 cwts. (\$6,244). The principal supplier under the same heading was Australia, which shipped 3,153 cwts. (\$76,496), followed by the United Kingdom with 157 cwts. (\$1,664) and Germany with 60 cwts. (\$4,084).

#### GRASS

*Cocksfoot.*—Exports of New Zealand cocksfoot in 1936 amounted to 2,329 cwts. valued at \$56,868, of which 1,364 cwts. (\$31,880) went to the United Kingdom and 942 cwts. (\$24,356) to Australia. Imports amounted to 637 cwts. valued at \$6,376, of which 628 cwts. (\$6,140) came from Denmark.

*Browntop.*—Exports of New Zealand browntop in 1936 amounted to 1,921 cwts. valued at \$52,024. The largest customer was the United Kingdom, which took 979 cwts. (\$25,912). Other buyers in order of importance were: Australia, 554 cwts. (\$14,812); Canada, 276 cwts. (\$8,344); United States, 68 cwts. (\$1,880). The 1937 crop is estimated at 100 tons of M/D certified, with a few



tons only of uncertified seed. The early indications were for a large crop and prices opened at 9d. per pound (15 cents) M/D, but later moved steadily up to 13½d. (22.5 cents). Due to a disappointing export demand, the market has eased, and to-day growers are offered 10d. (16.7 cents) per pound for choice M/D certified. It is difficult to estimate the domestic carryover, but it will possibly reach 25 tons. There will probably be about 50 tons available for export this year. There are no imports of browntop into New Zealand.

*Lucerne*.—This seed is imported into New Zealand in varying quantities every year. In 1936 over 99 per cent of the imports, amounting to 319 cwts. (\$3,244), came from South Africa.

*Paspalum*.—Imports of this variety in 1936 amounted to 1,225 cwts. valued at \$37,996, all of which came from Australia. Small shipments have been made by the United States in the past.

*Chewings Fescue*.—Exports of this type in 1936 amounted to 21,446 tons valued at \$386,920. The chief customer was the United States, which took 12,289 cwts. (\$221,074), followed by the United Kingdom with 6,916 cwts. (\$120,280), Canada with 1,385 cwts. (\$20,480), and the Netherlands with 310 cwts. (\$6,000). There were no imports.

*Poa Pratensis*.—During 1936 New Zealand imported 351 cwts. of this variety, all from the United States. The value was \$5,840.

*Crested Dogtail*.—Exports of this kind in 1936 amounted to 6,467 cwts. valued at \$102,016. The bulk of the supplies went to the United Kingdom (5,693 cwts., \$89,640); other purchasers were: Denmark (180 cwts., \$2,896); Netherlands (140 cwts., \$2,392); Belgium (117 cwts., \$1,780); Australia (104 cwts., \$1,564); United States (89 cwts., \$1,420); Sweden (81 cwts., \$1,328); and Canada (55 cwts., \$868).

*Rye Grass*.—Exports of New Zealand rye grass in 1936 amounted to 35,416 cwts. valued at \$167,008 compared with imports of 855 cwts. valued at \$2,560. Principal outlets, with quantities in cwts. and values in Canadian dollars, for 1936 were as follows: Australia (25,089 cwts., \$119,392); United Kingdom (5,237 cwts., \$25,724); United States (2,742 cwts., \$11,884); Netherlands (998 cwts., \$4,136); and Canada (775 cwts., \$3,228).

*Timothy*.—In 1936 New Zealand imported 2,845 cwts. of timothy valued at \$17,964, all from the United States. Sporadic shipments have been made in the past by Canada, the United Kingdom, Denmark, the Netherlands, and Germany.

*Other Grass Seeds*.—Under this heading, New Zealand in 1936 exported 1,711 cwts. of seeds valued at \$24,252. The principal destination was Australia, which took 1,525 cwts. (\$19,360), followed by the United Kingdom with 156 cwts. (\$4,360).

## TRADE OF NORTHERN RHODESIA IN 1936

J. L. MUTTER, CANADIAN TRADE COMMISSIONER

Johannesburg, October 22, 1937.—Outstanding features of the trade of Northern Rhodesia in 1936 were the decrease in imports and the substantial increase in exports. The total value of merchandise imported was £2,291,953 as compared with £2,902,960 in 1935, a decrease of £611,007 or 21 per cent. Smaller importations of machinery and similar goods were to a large extent responsible for this reduction, but most of the other principal imports, apart from mining machinery, were also lower. These decreases reflected the quieter conditions which prevailed throughout the copper belt of Northern Rhodesia in consequence of the international copper output restriction scheme which came into operation in June, 1935, and continued in force throughout 1936.

Exports were valued at £6,037,616 as against £4,778,604 in the previous year, an increase of £1,259,012 or 26 per cent. This increase was almost entirely due to the better prices obtained for copper and to the larger proportion of electrolytic copper exported. The quantity of the metal exported increased by 0.01 per cent only, whereas its value was greater by 26 per cent.

As all copper output restrictions were withdrawn in January, 1937, this, coupled with the rapid rise in the price of copper and the resulting activity in the mines, should ensure a marked increase in both exports and imports for the current year.

### IMPORTS

Machinery to the value of £329,374 was imported into Northern Rhodesia during 1936, and although £286,659 less than in 1935 was still the most important item in the list of commodities brought into the territory during the year. Other important items imported, with corresponding figures for 1935 in parentheses, were: coal, £157,976 (£146,637); blasting compounds, £138,478 (£122,859); cotton and woollen piece-goods, £128,954 (£151,362); outer garments and underclothing, £105,775 (£129,912); motor spirit, £63,678 (£58,893); motor cars, £55,850 (£64,399); ale, stout, beer, cider and sherry, £51,392 (£55,918); cigarettes, £49,285 (£54,741); chemicals, £40,254 (£42,864); millinery, drapery, haberdashery and textile articles of furnishing and napery, £36,946 (£34,710); blankets, rugs and blanketing, £36,710 (£39,594); wrought iron and steel pipes, piping and fittings, £37,744 (£71,589); wood, unmanufactured, £35,679 (£24,392); and bricks, building and fire, £25,781 (£39,375).

### ORIGIN OF IMPORTS

The United Kingdom is the most important supplier of Northern Rhodesia's requirements, and during 1936 was credited with £801,895 out of total imports valued at £2,291,953. The corresponding figures for 1935 were £1,331,758 and £2,902,960. Other important Empire suppliers were the Union of South Africa, £436,285 (£410,140), and Southern Rhodesia £433,135 (£449,673).

Imports from foreign countries during 1936 were valued at £503,618 (£598,849 in 1935), the United States being credited with £225,034 (£269,823).

The following tables show the values of merchandise imported into Northern Rhodesia from Empire and foreign countries during 1935 and 1936, with the percentages credited to each:—

#### *Imports from Empire Countries*

Country of Origin	1936		1935	
	£	Per Cent	£	Per Cent
United Kingdom.. . . .	801,895	35.0	1,331,758	45.9
Union of South Africa.. . . .	436,285	19.0	410,140	14.1
Southern Rhodesia .. . . .	433,135	18.9	449,673	15.6
Canada .. . . .	60,292	2.6	61,337	2.1
India .. . . .	41,368	1.8	33,339	1.1
Other Empire countries .. . . .	15,360	0.7	17,864	0.6
Total.. . . .	1,788,335	78.0	2,304,111	79.4

#### *Imports from Foreign Countries*

Country of Origin	1936		1935	
	£	Per Cent	£	Per Cent
United States .. . . .	225,034	9.8	269,823	9.3
Germany .. . . .	31,357	1.4	49,180	1.7
Dutch East Indies .. . . .	22,670	1.0	32,715	1.1
Japan.. . . .	67,926	3.0	71,493	2.5
Belgium.. . . .	40,647	1.8	46,989	1.6
Belgian Congo.. . . .	30,004	1.3	15,796	0.5
Other foreign countries .. . . .	85,980	3.7	112,853	3.9
Total .. . . .	503,618	22.0	598,849	20.6



The percentage of imports from Empire sources decreased from 79·4 in 1935 to 78 in 1936. This was due to the marked drop in the imports from the United Kingdom, as all other Empire suppliers increased their share of the trade. The decrease in the United Kingdom's share is mainly accounted for by the smaller imports of machinery and metal manufactures.

#### IMPORTS FROM CANADA

Canadian merchandise imported into Northern Rhodesia during 1936 was valued at £60,292 (2·6 per cent of total imports from all sources) as compared with £61,337 (2·1 per cent in 1935). The commodities listed in the following table comprise 90 per cent of the imports from the Dominion into Northern Rhodesia in 1936 and 1935:—

#### *Imports from Canada into Northern Rhodesia*

	1936	1935
Motor cars . . . . .	£12,367	£18,209
Electrical machinery and material . . . . .	9,041	812
Motor trucks and vans . . . . .	8,455	10,340
Wood, unmanufactured . . . . .	5,416	5,705
Milk (condensed, desiccated or preserved) . . . . .	4,680	4,590
Rubber tires and tubes . . . . .	3,780	2,524
Agricultural implements . . . . .	3,171	2,250
Motor car parts and accessories . . . . .	2,357	2,300
Hosiery (other than cotton or woollen) . . . . .	1,491	1,369
Belting . . . . .	1,397	4,620
Industrial machinery . . . . .	1,146	40
Vegetables (preserved) . . . . .	244	322
Undergarments . . . . .	189	99

#### EXPORTS

As previously indicated, exports from Northern Rhodesia during 1936 were valued at £6,037,616, or £1,259,012 more than in 1935. This total, however, includes re-exports to the value of £100,924, so that the value of the products of Northern Rhodesia exported during the period under review was £5,936,692 (£4,667,870 in 1935), an increase of £1,268,822 or 27 per cent over the figure for the previous year. Minerals constituted 95 per cent of the total value of domestic exports, copper alone accounting for 84 per cent. All commodities showed increases with the exception of unmanufactured tobacco which declined from £43,220 to £37,658.

The following table shows the principal domestic exports from Northern Rhodesia in 1935 and 1936, with the percentage of the total export value credited to each:—

#### *Chief Domestic Exports from Northern Rhodesia*

	1935		1936	
	£	Per Cent	£	Per Cent
Copper . . . . .	3,976,504	85.19	4,994,712	84.30
Zinc . . . . .	295,092	6.32	334,621	5.63
Cobalt alloy . . . . .	132,646	2.84	152,056	2.56
Vanadic oxide (fused) . . . . .	45,522	0.97	75,380	1.27
Vanadium . . . . .	35,873	0.76	50,191	0.84
Gold . . . . .	10,057	0.21	22,962	0.38
Tobacco (unmanufactured) . . . . .	43,220	0.93	37,658	0.63
Wood (manufactured and partly manufactured) . . . . .	78,712	1.68	111,203	1.87
Wood (unmanufactured) . . . . .	25,931	0.55	31,425	0.53
Hides, skins and horns . . . . .	10,664	0.23	16,604	0.28
Maize . . . . .	.....	....	60,685	1.02

#### DESTINATION OF EXPORTS

During 1936, Northern Rhodesian products valued at £3,556,333, or 59·8 per cent of total domestic exports, were shipped to Empire markets. Corresponding

figures for 1935 were £2,655,197 and 56·9 per cent. The United Kingdom was the chief Empire market with purchases valued at £3,153,920 (£2,460,368) or 53·1 per cent (52·7 per cent). The Union of South Africa was Northern Rhodesia's next best customer with £294,217 (£162,300) or 4·9 per cent (3·5 per cent). Shipments to Southern Rhodesia were valued at £53,294, and to other Empire countries at £54,902.

The value of exports from Northern Rhodesia to foreign countries in 1936 totalled £2,380,359 (£2,012,673) or 40·2 per cent (43·1 per cent). As in 1935, Germany was Northern Rhodesia's best foreign customer with purchases to the value of £1,382,854, or 23·4 per cent of total. Italy was second in importance as a foreign market with £716,147 or 12·1 per cent, followed by Belgium and France with £119,148 (2·0 per cent) and £90,285 (1·5 per cent) respectively.

Copper alone accounted for 84 per cent of all domestic exports; the following table shows the destinations, values and percentages of total copper exports:—

*Exports of Copper from Northern Rhodesia*

Country of Origin	1935	1936	1935	1936
	£	£	Per Cent	Per Cent
United Kingdom.. . . .	2,168,747	2,739,846	54.5	54.9
Germany.. . . .	1,139,268	1,381,730	28.7	27.7
Italy.. . . .	505,721	716,147	12.7	14.3
United States.. . . .	78,143	328	2.0	...
France.. . . .	774	40,228	...	0.8
Belgium.. . . .	57,505	3,860	1.4	...
Other countries.. . . .	26,346	112,573	0.7	2.3
Total.. . . .	3,976,504	4,904,712	100.0	100.0

## TRADE COMMISSIONERS ON TOUR

Mr. James Cormack, Canadian Trade Commissioner in Dublin, Irish Free State (whose territory covers Northern Ireland also); Mr. B. C. Butler, Canadian Trade Commissioner in Singapore, Straits Settlements (whose territory covers the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India); and Mr. J. H. English, Canadian Trade Commissioner in London, England, are at present on tour in the interests of Canadian trade with their respective territories. Their itineraries are as follows:—

### Mr. Cormack

Montreal.. . . .	Dec. 6 to 10	St. John .. . . .	Dec. 20 and 21
Bedford .. . . .	Dec. 11	Ottawa .. . . .	Dec. 23 and 24
Quebec City.. . . .	Dec. 13 and 14	Vancouver .. . . .	Jan. 6 to 14
Halifax .. . . .	Dec. 16 and 17	Kelowna .. . . .	Jan. 12

### Mr. Butler

Toronto .. . . .	Dec. 6 to 18
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### Mr. English

Montreal.. . . .	Dec. 6 to 23
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Firms who wish to be brought in touch with the Trade Commissioners should communicate, for Toronto and Vancouver, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres with the respective Board of Trade or Chamber of Commerce.

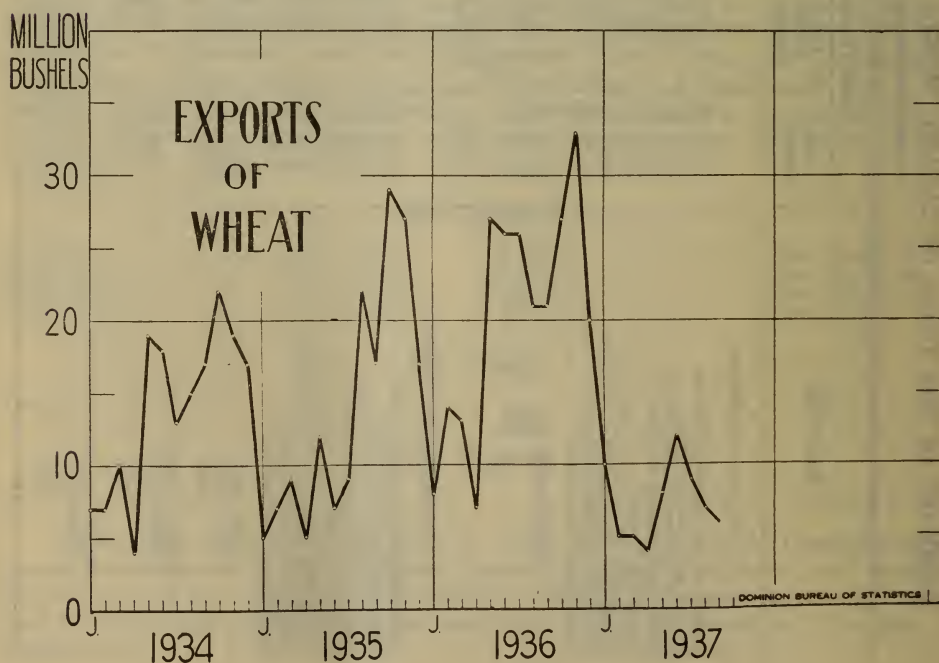
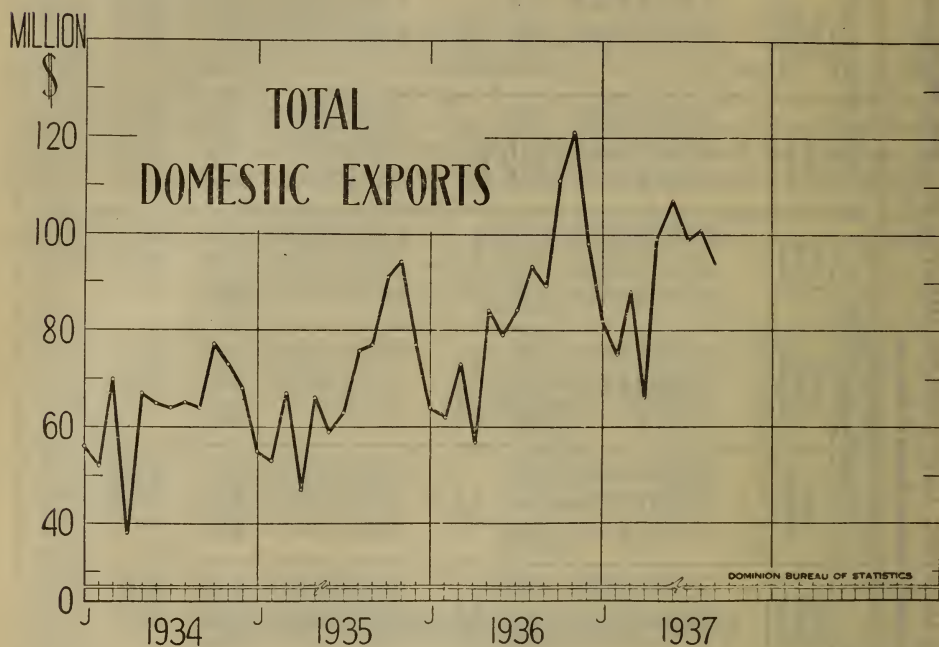


## SUMMARY OF THE TRADE OF CANADA: MONTH, TEN MONTHS, AND TWELVE MONTHS ENDING OCTOBER, 1937

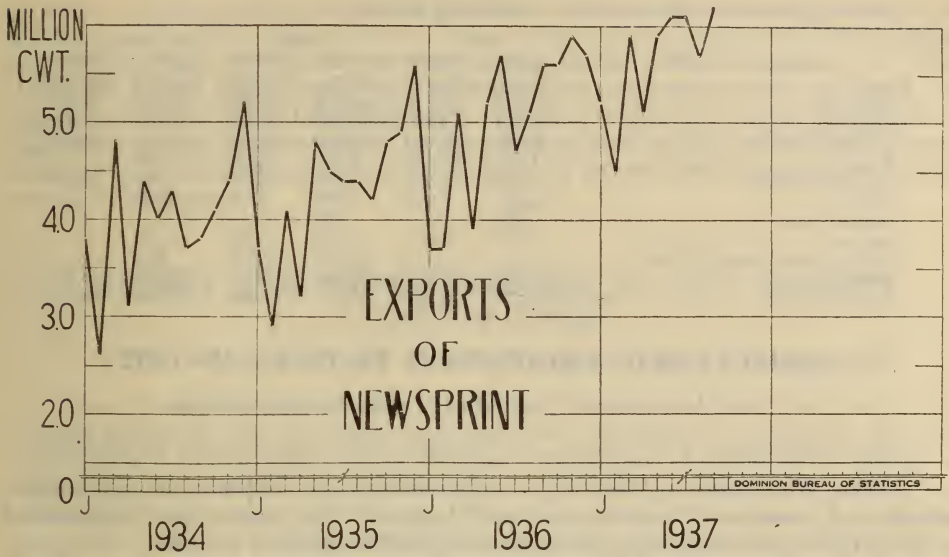
(Compiled by External Trade Branch, Dominion Bureau of Statistics)

Main Groups	Month of October, 1937				Ten months ending October, 1937				Twelve months ending October, 1937			
	From United Kingdom		From United States		From United Kingdom		From United States		From United Kingdom		From United States	
	Total Imports	\$	Total Imports	\$	Total Imports	\$	Total Imports	\$	Total Imports	\$	Total Imports	\$
<i>Imports for consumption</i>												
Agricultural and Vegetable Products.....	17,058,000		1,661,811		121,688,029		36,076,322		149,139,826		42,166,620	
Animals and Animal Products.....	2,745,363		4,494,002		27,142,438		10,890,425		6,135,186		12,530,590	
Fibres, Textiles and Textile Products.....	9,844,184		4,375,358		99,206,172		32,615,266		52,072,268		41,050,841	
Wood, Wood Products and Paper.....	3,214,338		2,499,606		27,923,200		22,498,553		4,019,821		26,333,633	
Iron and its Products.....	20,154,677		3,158,143		16,014,462		146,015,277		29,513,691		165,738,637	
Non-Ferrous Metals and their Products.....	4,854,910		618,639		176,495,965		24,619,232		7,101,868		30,207,142	
Non-Metallic Minerals and their Products.....	15,237,889		1,569,901		39,082,189		5,973,703		44,920,967		13,092,422	
Chemicals and Allied Products.....	3,316,527		775,332		113,163,940		86,913,775		133,901,703		21,982,000	
Miscellaneous Commodities.....	5,336,861		695,604		30,332,385		6,245,451		36,418,491		7,587,049	
					40,096,374		5,915,531		47,086,178		34,745,198	
Total Imports, 1937.....	82,112,749		13,777,630		675,130,782		400,296,037		794,296,692		477,207,727	
1936.....	65,158,561		12,545,957		516,024,934		301,230,723		610,552,149		351,310,554	
1935.....	11,533,951		29,773,518		455,737,336		262,336,773		544,778,737		311,692,830	
<i>Exports (Canadian Produce)</i>												
Agricultural and Vegetable Products.....	26,744,057		17,263,578		191,594,256		31,747,872		281,484,091		51,551,005	
Animals and Animal Products.....	12,530,922		7,202,799		122,712,903		43,660,399		163,469,168		51,121,281	
Fibres, Textiles and Textile Products.....	1,312,951		314,492		12,354,974		2,505,177		147,206,248		3,207,145	
Wood, Wood Products and Paper.....	24,489,676		4,841,284		217,938,462		35,722,831		42,638,783		177,504,631	
Iron and its Products.....	5,249,865		1,094,872		55,636,119		6,181,643		14,888,882		7,412,406	
Non-Ferrous Metals and their Products.....	26,583,295		8,720,500		82,563,082		132,663,622		93,717,498		156,092,103	
Non-Metallic Minerals and their Products.....	2,869,289		426,263		25,493,646		16,460,007		30,889,580		19,659,266	
Chemicals and Allied Products.....	1,480,049		279,292		18,375,173		8,649,698		21,499,873		9,859,292	
Miscellaneous Commodities.....	1,467,122		232,828		14,795,960		8,425,383		17,448,726		10,014,308	
Totals, 1937.....	102,747,226		40,377,915		915,380,187		400,212,676		1,134,425,891		486,421,437	
1936.....	110,998,708		47,767,913		796,159,731		320,455,808		987,742,508		392,450,652	
1935.....	90,526,150		42,897,617		638,701,337		286,374,890		794,228,603		349,838,179	
<i>Exports (Foreign Produce)</i>												
Totals, 1937.....	937,162		63,926		12,808,810		10,642,784		16,035,891		1,275,081	
1936.....	2,004,072		66,912		9,469,438		8,083,052		12,816,449		927,332	
1935.....	796,700		69,446		9,711,934		8,470,913		10,869,554		755,950	
<i>Excess of Imports (i) or all Exports (e)</i>												
Totals, 1937.....	(e) 21,571,639		(e) 20,664,211		(e) 253,058,215		(e) 1,568,523		(e) 356,165,000		(e) 268,388,976	
1936.....	(e) 47,844,219		(e) 35,288,868		(e) 239,604,235		(e) 27,314,135		(e) 370,006,808		(e) 258,337,890	
1935.....	(e) 38,571,830		(e) 31,433,112		(e) 201,625,935		(e) 32,715,030		(e) 260,239,420		(e) 113,742,789	

**GRAPHS SHOWING CANADA'S TOTAL DOMESTIC EXPORTS;  
EXPORTS OF WHEAT; AND EXPORTS OF NEWSPRINT,  
CALENDAR YEARS 1934 TO 1937**







## TRADE OF THE NETHERLANDS IN CASINGS AND INNER TUBES

J. A. LANGLEY, CANADIAN TRADE COMMISSIONER

Rotterdam, November 15, 1937.—The rubber industry of the Netherlands has developed along very healthy lines during the past few years, and although no remarkable increase has taken place in the number of existing plants, production figures have shown a steady upward trend. This is shown particularly with regard to the manufacture of bicycle tires and inner tubes, the domestic product enjoying 82 per cent and 78 per cent respectively of the consumption.

According to a leading authority in the industry, the demand for rubber goods is increasing steadily, but competition is keen and dealers are quoting very close prices, so that business is being conducted on a narrow margin of profit. This is particularly so as regards the sale of automobile casings and inner tubes. The domestic production of these commodities is increasing, but at the same time a very considerable quantity is imported annually. Due to the general economic improvement in the Netherlands, the imports for the period January to September, 1937, showed an increase over the same months of the previous year, and indications are that the total purchases for the year of motor casings and tubes will be larger than in 1936. An analysis of the import figures for the first nine months of 1937 would seem to indicate increased purchases from Canada and the United States when the full year's returns are completed. Imports from the recently established plant in the Netherlands East Indies have fallen off from 10,923 casings and 11,252 tubes to 815 casings during the period January to September, 1937.

### IMPORTS OF CASINGS AND INNER TUBES

Figures are available showing the number of casings and inner tubes imported into the Netherlands during the years 1935, 1936, and the first nine months of 1937.

These figures are given in the following table:—

Country of Origin	1935		1936		Jan.-Sept., 1937	
	Casings	Tubes	Casings	Tubes	Casings	Tubes
Total . . . . .	266,359	188,442	239,794	178,895	206,320	160,971
Germany . . . . .	37,240	25,316	40,053	31,668	25,597	19,453
Belgium . . . . .	8,681	3,366	10,054	3,659	8,703	5,295
United Kingdom . . . . .	52,206	47,487	68,703	50,950	63,525	50,944
France . . . . .	14,741	15,584	8,737	6,097	3,989	.....
Czechoslovakia . . . . .	1,898	1,504	5,846	10,278	5,947	15,204
Italy . . . . .	14,391	9,948	4,006	1,887	7,980	.....
Switzerland . . . . .	392	.....	533	.....	.....	.....
Japan . . . . .	3,310	2,580	3,312	2,357	1,125	.....
Netherlands East Indies . . . . .	.....	.....	10,923	11,252	815	.....
Canada . . . . .	32,655	8,667	18,368	7,132	18,830	6,971
United States . . . . .	100,737	73,960	68,911	53,481	69,264	49,628

## AGRICULTURAL PRODUCTION IN ITALY IN 1937

A. B. MUDDIMAN, CANADIAN TRADE COMMISSIONER

(One quintal equals 3·67 bushels; one hectolitre equals approximately 22 gallons)

Milan, November 5, 1937.—In a statement by the Minister of Agriculture, issued on November 2, the wheat crop of Italy for the present year is estimated at 80,561,670 quintals as compared with 61,038,000 quintals in 1936.

If the estimate of the Minister of Agriculture for the present year is correct, there should be enough wheat to serve the country's needs. Since November 1, however, a war bread has come into use in Milan, allowing a 10 per cent mixture of other than wheat flour. It has been stated, on the authority of a professor of economics at Turin, that the use of this mixture is for the purpose of husbanding the crop so that there will be a larger carryover next year in case the yield is not so favourable.

The yields of wheat, corn, rice, etc., for the present year and 1936 have also been announced by the Minister as follows:—

	1936	1937
Wheat . . . . . Quintals	61,038,000	80,561,670
Corn . . . . . Quintals	30,447,000	34,000,000
Rice . . . . . Quintals	6,918,400	6,872,000
Broad beans . . . . . Quintals	5,244,000	7,302,220
Oats . . . . . Quintals	4,783,000	6,182,080
Barley . . . . . Quintals	1,925,780	2,335,590
Potatoes . . . . . Quintals	26,308,820	30,000,000
Wine . . . . . Hectolitres	33,650,000	33,650,000
Olive oil . . . . . Hectolitres	1,684,000	2,500,000

## POPULATION OF EGYPT

HENRI TURCOT, CANADIAN TRADE COMMISSIONER

Cairo, November 3, 1937.—The preliminary returns of the census which was held in Egypt at the end of March last indicate that the total population of this country, excluding nomads, was 15,904,525 as compared with 14,217,864 in 1927. Since 1882 the population of Egypt has increased by almost 150 per cent. Between 1917 and 1937 the advance was not nearly so rapid as it was from 1882 up to 1917, due no doubt to a decline in polygamy. The death-rate being high and immigration unimportant, it follows that the increase in Egypt's population is a consequence of an exceptionally high birth-rate.

The population of Lower Egypt is placed at 7,124,169 as against 6,530,622 in 1927; that of Upper Egypt at 6,417,385 as compared to 5,709,797. Cairo (1,307,422), Alexandria (682,401), Port Said (121,118), Suez (49,669), and Ismailia (34,897) are the principal cities.

The urgency of an enlargement of the irrigable area of Egypt is but one of the deductions to be drawn from the increase in the Egyptian population. The



process of industrialization on which Egypt is bent cannot absorb so rapid an advance. The main outlet must be in the agricultural sphere, for the economy of Egypt must always be predominantly agricultural. Its area is about 1,000,000 square kilometres; but the bulk of its territory consists of desert. At the present time about 6,000,000 acres are under cultivation. The fact that the Egyptian people have been able to grow and expand within such a limited territory is due to two causes—the great fertility of the soil and the fellah's very low standard of living.

## MARKET FOR WOOD CHARCOAL IN THE EASTERN UNITED STATES

W. D. WALLACE, OFFICE OF THE CANADIAN TRADE COMMISSIONER

New York City, November 18, 1937.—Wood charcoal is produced in the United States by the following three methods: hardwood distillation, softwood distillation, and the kiln or oven process. Hardwood distillation is carried on in the Northern States; the softwood distillation and oven or kiln processes are used in the Southern States. The best grade of charcoal is obtained primarily from the distillation of hardwood. The States of Pennsylvania and New York are the chief producers for the Eastern United States Market.

### DOMESTIC PRODUCTION

Charcoal is one of the by-products of the wood distillate industry. Production of this industry in the United States in 1935 was valued at \$15,970,917 and included 537,772,320 pounds of charcoal valued at \$3,063,200. In addition, 145,382,720 pounds of charcoal was manufactured for consumption in the producing plants. In 1931 the manufacture of charcoal for sale amounted to 458,249,360 pounds valued at \$3,146,560, out of total production of the wood distillate industry valued at \$11,440,157. In 1929 charcoal production amounted to 907,100,020 pounds valued at \$5,472,606, out of a total of \$29,593,672 for the industry.

### IMPORTS

The United States has to import wood charcoal to fill the demand in certain sections of the country that cannot be supplied by domestic manufacturers. No exports are officially recorded although small quantities are reported in Canadian statistics as having been imported from the United States.

Imports of wood charcoal have increased from 1,827,506 pounds (\$11,779) in 1933 to 4,813,962 pounds (\$29,376) in 1936. The chief source of supply is Mexico, followed by Canada and the British West Indies. Imports from Mexico have increased from 1,364,500 pounds (\$7,357) in 1933 to 3,194,152 pounds (\$16,294) in 1936, and the average import price on charcoal from Mexico for this period has been \$10.85 per ton.

### IMPORTS FROM CANADA

Canada, which became the second principal supplier in 1936, was credited with an increase from 25,088 pounds (\$438) in 1933 to 778,253 pounds (\$5,622) in 1936. The 1936 average import price of Canadian wood charcoal was \$14.45 per ton, while for the years 1935, 1934, and 1933 the average import prices were \$48, \$56, and \$32 per ton respectively. The differences in the average prices for the years 1935, 1934, and 1933 from that of 1936 may be due to certain imports of specially prepared charcoal, importation of the very

expensive willow charcoal, and to some extent the higher prices of less than carload lots.

The majority of the imports of wood charcoal from Canada in 1936 entered the United States through the customs districts of Buffalo and Michigan, Duluth and Superior, indicating that these came principally from the Province of Ontario. Minor shipments were received through the districts of St. Lawrence and Vermont, their origin being the Province of Quebec.

### PRICES

The prices of lump charcoal in the Eastern market range from \$12 to \$20 per ton delivered. Present quotations are about \$18 per ton delivered, while some firms are quoting as low as \$12 for a poorer quality of charcoal. With the demand for lump charcoal increasing with the coming of winter, there is usually a slight increase in the price.

### DEMAND FOR WOOD CHARCOAL

The demand for lump charcoal arises primarily from two types of trade: domestic fuel, and the iron industry, where it is used for heat-treating purposes, as fuel, and for the manufacture of charcoal iron.

The domestic fuel demand is seasonal, the largest market being in the cold season of the year. The iron industry and the foundries form a steady market for charcoal but the quantities required are not very large.

In the Eastern States there is very little demand for charcoal produced by the softwood distillation process, as this charcoal is not considered of as good quality as that produced from hardwood. Oven- or kiln-produced charcoal likewise finds practically no market in the eastern section of the country.

## ECONOMIC SITUATION IN HONDURAS, GUATEMALA, AND EL SALVADOR

R. T. YOUNG, CANADIAN TRADE COMMISSIONER

[The subjoined is based on information furnished by His British Majesty's Chargés d'Affaires, Honduras and El Salvador, and the British Consulate-General, Guatemala]

### Honduras

Mexico City, November 22, 1937.—The months of September and October have shown a further contraction in retail trade, the turnover in merchandise being lower than in any period during the preceding twelve months

The critical political situation existing between Nicaragua and Honduras, as a result of the revival of a long-standing boundary dispute, has brought about a lack of confidence and general uneasiness which has been reflected in business generally. Although an agreement to submit the dispute to arbitration has somewhat relieved the tension, normal conditions are not likely to be resumed until the question is finally settled to the satisfaction of both countries.

As a result of the dispute, the Government of Honduras has ceased the carrying out of all public works that were in progress and has suspended payment of salaries of all government employees in order to conserve its resources and meet increased military expenditures.

The result is that money is scarce and collections slow and in many cases far in arrears. Merchants and others generally are placing only small orders, and there has been some slight reduction in existing stocks. As long as the present political tension exists no revival of trade is to be expected.

Signs of scarcity of foreign exchange have appeared, and merchants find difficulty and delay in obtaining sufficient to cover their transactions, but so far



no alteration in exchange control rates has taken place. The greater part of foreign exchange is furnished by the fruit companies, whose activities have been adversely affected by the political situation.

The general outlook is therefore not encouraging, and exporters to Honduras are advised to use increased vigilance when granting credit or opening up new accounts.

### Guatemala

At the end of October trading conditions indicated better times, but in November there was not the same confidence. Although the coffee crop is expected to produce a far larger yield than in the previous season, so far little, if any, has been exported.

There were no indications during the past few months of the upheaval which was expected to occur among the coffee-producing countries following the Brazilian Government's decision to abolish the export tax on coffee, but fortunately the Government of Guatemala appears to have had sufficient funds to meet emergencies.

Credit appears to be tight, though sufficient is available to take care of crop requirements.

The prospects for trade are naturally curtailed by reason of the decision of the Government of Brazil with regard to the coffee exports of that country, which has reduced the price of coffee in Guatemala by 2 quetzales (\$2 U.S.) per quintal (220 pounds) during the last half of October, and further reductions are to be expected.

Only through advances made by the Central Bank to the planters will it be possible to export coffee during the coming months, and it is quite probable that, unless the Brazilian Government modifies its present attitude, Guatemala is likely to find itself in difficulties by 1938.

### El Salvador

The commercial *modus vivendi* between the United Kingdom and El Salvador has been renewed for eighteen months, from December 16, 1937, to June 15, 1939.

Trade is generally at a standstill; many shipments of merchandise are lying in customs warehouses awaiting clearance, and merchants are well stocked, particularly in cotton textiles purchased at prices higher than those at present prevailing. Retail trade is generally quiet and, with a fall in cotton prices, compensation trading with Germany has become less attractive than trading with the United States and Great Britain.

The decline in coffee prices continues to reflect a position less satisfactory than prevailed a year ago, so that no early improvement may be anticipated.

## WHEAT AND FLOUR SITUATION IN CHINA

M. T. STEWART, ASSISTANT TRADE COMMISSIONER

Shanghai, October 26, 1937.—The Sino-Japanese hostilities which have proceeded continuously in the Shanghai area since August 13 have resulted in a very serious dislocation of the trade of this port generally, and the usual avenues of communication have also been disrupted. It is therefore a practical impossibility to secure complete and authentic data on the wheat and flour situation in China, but a brief review of the current crop and market position, based on the data available, may be of interest.

### WHEAT CROP RETURNS

The official crop returns of the National Agricultural Research Bureau for the current crop year ended July 31, are estimated at 346,430,000 Shi piculs

(one Shi picul equals 110·231 pounds) or 636,459,000 bushels. These estimated returns are approximately 25 per cent less than the 1936 crop which was, however, exceptionally good throughout China. This year the North China returns have been very disappointing, which largely accounts for the decrease in the total crop.

Reviewing the possibilities for wheat exports to China, the leading grain trade houses in Shanghai are of the opinion that there will be very little activity for at least the next six months, and it is quite probable that no worthwhile importations of wheat may take place throughout the remainder of this crop year.

The coastal shipping blockade, an unfortunate result of the hostilities, has paralysed the normal movements of flour from Shanghai, and the Shanghai millers who depend upon the coastal trade for their market, are accordingly running on greatly reduced schedules; they are not drawing their usual supplies of wheat from the interior, nor are they interested in quotations from overseas. The Shanghai flour millers are usually interested in foreign wheat only when it becomes cheap in relation to local supplies, and they are not prepared to pay more than a 10 per cent premium for imported wheat. Canadian shippers have not been able to participate substantially in this trade for several years past, and the following is a comparative table showing the imports of wheat into China from the leading suppliers during the past five crop years, the quantities being shown in short tons:—

*China's Wheat Imports by Crop Years, 1932-33 to 1936-37*

	Canada	United States	Australia	Argentina	Total
	Figures in Short Tons				
1932-33 . . . . .	230,900	8,000	1,027,800	53,300	1,320,000
1933-34 . . . . .	11,900	326,100	46,800	169,300	554,100
1934-35 . . . . .	1,100	29,800	397,000	117,100	545,000
1935-36 . . . . .	3,500	.....	165,600	.....	169,100
1936-37 . . . . .	.....	.....	52,890	.....	52,890

#### FLOUR

The Shanghai market for imported flour is largely confined to the requirements of the foreign population, together with a limited use among the better-class Chinese. The evacuation of large numbers of the foreign population from Shanghai during August, as well as the dislocation of trade, consequent upon the hostilities, has adversely affected the import trade. This loss is compensated for to some extent in the trade returns by the direct importation of flour to meet the requirements of the British and American forces stationed in Shanghai, but the local importer has no financial interest in this trade.

The flour-milling companies in Shanghai have reported that they are experiencing a very inactive period and are operating at only 20 per cent, or less, of their capacity.

The flour millers have confirmed the opinion of the grain trade that, although the 1937 crop has been rather poor, it will probably take care of most of the requirements of China until such time as the new crop is harvested, about the middle of next year. The usual milling requirements of the Shanghai flour mills when operating at near their capacity is about 50,000 piculs (one picul equals 133½ pounds) per day, and stocks of wheat on hand in Shanghai are estimated at rather more than 1,000,000 piculs, which would be approximately one month's regular supply. However, as the export trade is cut off, the existing stocks of wheat and flour may be sufficient to meet local requirements for several months.

The market for imported flour moves independently of the local milling industry, and within limits the volume of trade is not greatly affected by the actual price of flour as sold from Canada, the United States, or Australia. The local market is more directly influenced by the stocks of flour on hand, and at



present the stocks of imported flour in Shanghai are very low, and the market is high, although the quotations received by the local importers from their overseas principals have shown a downward tendency.

Following is a comparative table showing imports of wheat flour into China for the calendar year 1933 and subsequently. The quantities are shown in short tons, and the January-to-August period for 1937 are the latest available statistics supplied by the Chinese Maritime Customs. The figures shown do not include Manchuria:—

### *Imports of Wheat into China by Crop Years*

	Canada	Australia	United States Figures in Short Tons	Japan	Other Countries	Total
1933 . . . . .	7,868	102,870	66,859	34,920	3,214	215,731
1934 . . . . .	12,089	13,208	39,173	1,087	112	65,669
1935 . . . . .	14,398	20,140	19,021	2,411	302	56,272
1936 . . . . .	12,126	12,395	3,846	5,651	160	34,178
1937 (January-August) . .	7,115	7,753	2,479	510	166	18,023

Imports of wheat flour into Shanghai during the month of September totalled 635 quintals (one quintal equals 220 pounds), of which 506 quintals came from Canada and 129 quintals from Australia, as compared with a total import of 3,930 quintals in September, 1936, of which Canada supplied 2,029 quintals and Australia 891 quintals, the remainder being from the United States.

## TARIFF CHANGES AND CUSTOMS REGULATIONS

### United Kingdom

#### PREFERENCE CONDITIONS: ANIMAL AND FISH OILS AND FATS

The attention of exporters of animal and fish oils and fats to the United Kingdom is directed to the fact that, in order to be entitled to Imperial preference, shipments of these goods arriving in the United Kingdom on and after January 1, 1938, must be accompanied by certificate of origin No. 119. As announced in *Commercial Intelligence Journal* No. 1748 (July 31, 1937), page 215, admission to preference after the first of the year will be dependent on the goods having been produced in the Empire wholly from Empire materials. In the case of oils and fats from fish or other marine animals, the certificates of origin should be supported by statements that the goods have been produced from fish or other marine animals caught in Empire waters or by vessels owned and registered in the Empire. In the case of other animal oils and fats, evidence of production from animals bred in the Empire will be required in the form of a certificate known as Health of Animals Form 18 given by officers of the Canadian Department of Agriculture, to accompany the producer's own certificate on United Kingdom Form 119.

As the new requirement will be applied to consignments arriving in the United Kingdom on and after January 1, 1938, it will be necessary for exporters to arrange for the proper certificates some time in advance of that date.

### Southern Rhodesia

#### SUSPENSION OF DUTY ON CHEESE

The Government *Gazette* of Southern Rhodesia, dated October 29, 1937, writes Mr. J. C. Britton, Assistant Trade Commissioner, Johannesburg, contains notice of suspension of duty payable on cheese from British Empire sources when made from milk or cream from which no fat has been abstracted, and to

which no animal or vegetable fat has been added. This suspension resulted from temporary shortage of domestic cheddar cheese. The former rate to the United Kingdom, Canada, and British colonies was 25 per cent ad valorem or 3½d. per pound, whichever is greater. The general rate of duty applying to foreign countries, viz. 30 per cent or 4d. per pound, still applies.

#### DUTY EXEMPTIONS FOR MATCH-MAKING INDUSTRY

Mr. J. C. Britton, Assistant Trade Commissioner, Johannesburg, reports that a notice in the *Government Gazette* of Southern Rhodesia, dated October 29, 1937, announces a rebate of customs duties on "amorphous phosphorus; umber; glass flour; antimony; caput mortuum; zinc oxide; blue paper in rolls 35 mm. in width; green paper in rolls 7½ inches in width; cardboard containers," on first importation or when taken out of bond by manufacturers for use in the match-making industry

### Ceylon

#### EXTENSION OF PREFERENTIAL TARIFF

With reference to the notice in *Commercial Intelligence Journal* No. 1749 (August 7, 1937), page 265, Mr. Paul Sykes, Canadian Trade Commissioner, Calcutta, cables under date November 27 that he is officially informed Ceylon's preferential tariff has been extended indefinitely. The preferential tariff of Ceylon, which is applicable to Canada, was originally introduced for a period of three years ending January 31, 1936, and has been periodically extended by State Council resolutions.

### Argentina

#### MARKING OF POTATO CONTAINERS

Mr. J. A. Strong, Canadian Trade Commissioner in Buenos Aires, reports that an Argentine decree, to be effective from January 1, 1938, brings potatoes under the Argentine law governing marking and identification of merchandise. Under this decree all containers must be marked with the name of the country of origin, preferably using an expression such as "Product of Canada." Potato packages must indicate if the contents are "papa para consumo" (potatoes for consumption) or "semilla de papa certificada" (certified seed potatoes), and, in the case of seed potatoes, the variety. The net weight in kilograms must also be stated on the containers with a tolerance of up to 2 per cent between the weight shown on the container and the real weight of the contents to allow for the normal shrinkage of the product.

All the foregoing lettering and indications must be printed, stencilled, or engraved in a clear and legible form on the principal side of the containers, such being understood as the side carrying the name or brand of the producer or seller. The scale of minimum heights for the required lettering is fixed as follows: "papa para consumo," "semilla de papa certificada," and "peso neto" (net weight), 4 centimetres for crates and 6 centimetres for bags (the numbers after "peso neto" must be at least as high as the letters themselves); "variedad" (variety), 3 centimetres for crates and 5 centimetres for bags; country of origin, 2 centimetres for crates and 4 centimetres for bags.

The use of such expressions as "semilla" (seed), "certificada" (certified), "seleccionada" (selected), "hija de certificada" (from certified), "hija de importada" (from imported), for containers of potatoes for consumption, or any other expression derived or not from those mentioned, which would lead to a mistake as to the real nature of the products, is prohibited.



## France

### REGULATIONS GOVERNING WHEAT IMPORTS

Mr. J. P. Manion, Assistant Commercial Attaché in Paris, advises that regulations have been published in the French *Journal Officiel* of November 10, 1937, relative to the importation of wheat for the new season. The general regulations governing the import of wheat into France were reviewed in *Commercial Intelligence Journal* No. 1754 (September 11, 1937).

Under the new regulations millers wishing to import wheat for mixing need only export the equivalent amount of wheat by weight, whereas last year about 10 per cent more French wheat had to be exported than the amount imported.

While the present system is in reality a modification of the temporary admission or milling-in-bond system, the law provides for the paying of duty on compensating imports. However, it also allows the National Wheat Office to fix the amount of drawback which may be granted. The present rate of duty is 96.30 francs per metric quintal (220 pounds), but by the regulations for the new season a drawback of 92 francs is granted if the compensating exports are in the form of flour or its derivatives, while the drawback is only 73.40 francs if domestic wheat is exported in cereal form. As only millers are interested in importing wheat for mixing, they generally find it in their own interests to mill compensating exports, and it may therefore be taken for granted that imports of hard wheat from Canada will be assessed at 4.30 francs per metric quintal or approximately 3½ cents per bushel upon entry into France.

### INSTITUTION OF A MILLING QUOTA

Several months ago the National Wheat Office had asked the millers to vote on whether or not they would be favourable to a control of production based on the percentage of productive capacity necessary to supply consumptive requirements. At the present time some mills may be working at full capacity and others can market only a very small proportion of their possible turnover. If millers were favourable to the quota proposed, each mill could grind only a percentage of capacity based on total consumption divided by total capacity.

The vote has just taken place, and 7,000 out of 9,000 millers have voted for a quota.

Each voter had to state the amount of productive capacity he represented, and so, for the first time, one is able to obtain an accurate picture of the total mill capacity in France. This total capacity proved to be 121,853,828 quintals of wheat. Since it is probable that not more than 60,000,000 quintals are milled for consumption at the present time, it is likely that the quota assigned to each mill will be in the neighbourhood of 50 per cent. The exact percentage which will be assigned will form an interesting index to estimated consumption, and this will be reported upon as soon as it is fixed.

## Belgium

### DUTIES CHANGED ON BOOTS AND SHOES

Mr. Yves Lamontagne, Canadian Trade Commissioner in Brussels, advises that under a decree published in the Belgian *Journal Officiel* of November 14, 1937, the import duty has been raised on certain classes of boots and shoes made of leather or textile fabrics. The customs duty on canvas shoes with sewn rubber soles has been increased from 5.2 francs (about 17 cents) to 7 francs (about 23 cents) per pair. Rubber boots and shoes, including canvas shoes with vulcanized rubber soles are not affected by the decree.

## Mexico

### RESTRICTION ON IMPORTS OF AMMUNITION

Mr. R. T. Young, Canadian Trade Commissioner in Mexico City, writes that in accordance with a circular issued on November 5, 1937, by the Mexican War Department the import into Mexico of cartridges for rifles of calibres 32, 38, 44, 45, 30·30 and 7 and all ammunition for either revolvers or automatic pistols is prohibited. This prohibition does not affect imports of ammunition of all calibres for shotguns and of 12 calibre for shooting galleries.

## Bolivia

### IMPORT PROHIBITIONS

Mr. M. J. Vechsler, Canadian Trade Commissioner in Lima, advises that by a government decree of November 9, 1937, import prohibitions established under a decree law of September 5, 1936, suspended on May 29, 1937, have been temporarily re-imposed. Among the prohibited imports are: dried and salted fish in general; biscuits; confectionery; prepared foodstuffs, except salmon; leather footwear; tobacco; passenger automobiles; phonographs; wooden doors, windows and similar articles for buildings; aluminium manufactures of a luxury nature.

## Netherlands India

### TARIFF REDUCTIONS

Mr. K. F. Noble, Acting Canadian Trade Commissioner, Singapore, forwards a translation of Netherlands Indies Staatsblad No. 482, 1937, which provides for tariff reductions resulting from a new commercial agreement with Germany effective for three years from June 30, 1937, to July 1, 1940.

The new rates, effective from August 15, 1937, with retroactive effect to July 1, 1937, are additional to those provided for under the previous agreement and apply to Canada and other countries enjoying most-favoured-nation treatment. The tariff items affected, with old and new rates, are:—

	Former Duty Ad val.	New Duty Ad val.
X-ray films . . . . .	12%	6%
Electric irons weighing 5 kilos (11 lbs.) or less . . . . .	20%	12%
Geysers and automatic hot water apparatus . . . . .	20%	12%
Electric fireplaces, stoves, kitchen ovens, kitchen heaters and cooking plates including electric self-cookers and electric machines for washing dishes and linen . . . . .	20%	12%
Food warmers for table use, toasters, kettles, tea and coffee pots, egg cookers, shaving bowls, etc., with direct electric heating and other similar articles for household, hotel, toilet or travelling . . . . .	20%	12%

### IMPORT QUOTA ON WRAPPING PAPER

Mr. K. F. Noble, Acting Trade Commissioner, Singapore, forwards a translation of Netherlands India Staatsblad No. 470 of 1937, which provides that import licences for wrapping paper shall not exceed 3,400 metric tons during the period July 30, 1937, to January 29, 1938. Licences for wrapping paper manufactured in Holland shall amount to not less than 30 per cent of the total quantity, or 1,020 metric tons.



## China

### CONSULAR INVOICES

Mr. H. A. Scott, Canadian Trade Commissioner, Shanghai, writes under date October 22, 1937, that from previous reports on this subject which have appeared in the *Commercial Intelligence Journal* from time to time, exporters will recall that for all shipments of goods to China (except those by parcel post and/or those to certain diplomatic and military officials) a separate consular invoice is required for each bill of lading covering goods imported, the f.o.b. value of which exceeds gold units 90, converted from the respective foreign currencies at exchange rates issued quarterly by the Government and displayed at the Custom House.

It was further explained that the Canadian exporter would be given, by the nearest Chinese Consulate, the official rate (which is the one which will prevail) between the gold unit and the Canadian dollar and he can therefore decide clearly whether the f.o.b. value of his shipment is above gold units 90.

The official rate is established quarterly on January 1, April 1, July 1, and October 1, respectively, and the consulates abroad are informed of it in advance.

In connection with the regulations governing the issuance of consular invoices, laying down that merchandise sold to two or more different importing firms or carried by two or more different vessels or destined for two or more different ports shall not be covered by the same consular invoice, Customs Notification No. 1620, issued at Shanghai on October 21, contains the following instructions:—

(1) When one consignment of goods covered by one consular invoice is imported by several consignees, the original invoice is to be considered as invalid and fines will be imposed in accordance with standing instructions.

(2) The term "consignee" as used in the Consular Invoice Regulations refers to those who actually take delivery of cargo at the time of its importation, and accordingly when one consignment of cargo valued at over gold units 90 is applied for separately by several consignees, or when it is evident from the delivery orders, manufacturer's invoices, or consular invoice that a particular consignment of goods valued at over gold units 90, though covered by only one bill of lading and applied for by only one importer, is actually for several different consignees, then a separate consular invoice is to be required, in accordance with the Consular Invoice Regulations, from each consignee whose goods exceed gold units 90 in value. If, however, on such occasions the original consignment of goods is divided up between a number of consignees in such a way that no individual consignee imports goods exceeding gold units 90 in value, then one consular invoice only will be required.

### BRITISH TRADE COMMISSIONERS IN CANADA

Canadian importers and others desirous of obtaining information regarding the export trade of the United Kingdom and Canadian firms desirous of representing British manufacturers in Canada are invited to communicate with the undermentioned:—

The Senior British Trade Commissioner in Canada and Newfoundland, 1111 Beaver Hall Hill, Montreal, Que. Telegraphic address: "Britcom."

The British Trade Commissioner in the Maritime Provinces and Newfoundland, 1111 Beaver Hall Hill, Montreal, Que. Telegraphic address: "Britcom."

The British Trade Commissioner (for Ontario), 901-905 Bank of Hamilton Building, Toronto, Ont. Telegraphic address: "Toroncom."

The British Trade Commissioner (for Alberta and British Columbia), 850 West Hastings Street, Vancouver, B.C. Telegraphic address: "Vancom."

The British Trade Commissioner (for Manitoba, Saskatchewan and Northwest Ontario), 703 Royal Bank Building, Winnipeg, Man. Telegraphic address: "Wincom."

## FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING NOV. 29, 1937

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, November 29, and for the week ending Monday, November 22, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Nov. 22	Nominal Quotations in Montreal Week ending Nov. 29	Official Bank Rate
Austria . . . . .	Schilling	.1407	\$ .1888	\$ .1889	3½
Belgium . . . . .	Belga	.1001	.1698	.1698	2
Bulgaria . . . . .	Lev	.0072	.0129	.0129	6
Czechoslovakia . . . . .	Krone	.0296	.0351	.0352	3
Denmark . . . . .	Krone	.2680	.2229	.2227	4
Finland . . . . .	Markka	.0252	.0221	.0221	4
France . . . . .	Franc	.0392	.0339	.0338	3
Germany . . . . .	Reichsmark	.2382	.4034	.4028	4
Great Britain . . . . .	Pound	4.8666	4.9937	4.9887	2
Greece . . . . .	Drachma	.0130	.0092	.0092	6
Holland . . . . .	Guilder	.4020	.5539	.5553	2
Hungary . . . . .	Pengo	.1749	.2944	.2947	4
	Unofficial		.1981	.1982	—
Italy . . . . .	Lira	.0526	.0525	.0525	4½
Jugo-Slavia . . . . .	Dinar	.0176	.0231	.0231	5
Norway . . . . .	Krone	.2680	.2508	.2507	4
Poland . . . . .	Zloty	.1122	.1890	.1892	5
Portugal . . . . .	Escudo	.0442	.0451	.0451	4
Roumania . . . . .	Leu	.0060	.0073	.0073	4½
Spain . . . . .	Peseta	.1930	.0624	.0624	5
Sweden . . . . .	Krona	.2680	.2574	.2572	2½
Switzerland . . . . .	Franc	.1930	.2310	.2310	1½
United States . . . . .	Dollar	1.0000	.9981	.9990	1
Mexico . . . . .	Peso	.4985	.2770	.2772	4-5
Cuba . . . . .	Peso	1.0000	.9973	.9983	—
Guadeloupe . . . . .	Franc	.0392	.0339	.0338	—
Jamaica . . . . .	Pound	4.8666	5.0037	4.9987	—
Martinique . . . . .	Franc	.0392	.0339	.0338	—
Other British West Indies	Dollar	1.0138	1.0403	1.0392	—
Argentina . . . . .	Peso (Paper)	.4245	.3329	.3326	—
	Unofficial		.2934	.2932	—
*Brazil . . . . .	Milreis (Paper)	.1196	.0593	.0561	—
British Guiana . . . . .	Dollar	1.0138	1.0403	1.0392	—
Chile . . . . .	Peso	.1217	.0516	.0517	3-4½
Colombia . . . . .	Peso	.9733	.5427	.5424	4
Peru . . . . .	Sol	.2800	.2595	.2448	6
Venezuela . . . . .	Bolivar	.1930	.3131	.3134	—
Uruguay . . . . .	Peso	1.0342	.7900	.7910	—
South Africa . . . . .	Pound	4.8666	4.9875	4.9812	3½
Egypt . . . . .	Pound (100 Piastres)	4.9431	5.1100	5.1050	—
China (Shanghai) . . . . .	Dollar	.....	.2937	.2945	—
Hongkong . . . . .	Dollar	.....	.3111	.3116	—
India . . . . .	Ruppee	.3650	.3768	.3765	3
Japan . . . . .	Yen	.4985	.2910	.2905	3.29
Java . . . . .	Guilder	.4020	.5538	.5553	—
Siam . . . . .	Baht (Tical)	.4424	.4578	.4572	—
Straits Settlements . . . . .	Dollar	.5678	.5856	.5848	—
Australia . . . . .	Pound	4.8666	3.9950	3.9900	3
New Zealand . . . . .	Pound	4.8666	4.0262	4.0225	2

\* Unofficial.

The Dominion Bureau of Statistics has supplied the following note:—

Sterling rates at Montreal drifted slowly downward during the final week of November, and French francs were also slightly weaker. Discounts on New York funds narrowed to approximately  $\frac{1}{16}$  of one per cent. Informed observers of European central bank statements have expressed the opinion that United States gold transfers to European accounts are much in excess of the small shipments recently mentioned in the press. Advances in the Netherlands florin have been checked by a reduction in the official price of gold in that country. Moderate declines in the German mark following a change in heads of the Reichsbank have caused speculation concerning possible changes of policy. The mark had been firm in the first half of November, rising from 40.18 cents to 40.44 cents. It has since dropped back to 40.28 cents.



## TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

### Secretary, Board of Trade—

Saint John, N.B.  
Halifax, N.S.  
Quebec, P.Q.  
Montreal, P.Q.  
Toronto, Ont.  
Chatham, Ont.

Kitchener, Ont.  
Brantford, Ont.  
Stratford, Ont.  
Woodstock, Ont.  
St. Mary's, Ont.  
Portage la Prairie, Man.

St. Boniface, Man.  
Winnipeg Man.  
Vancouver, B.C.  
New Westminster, B.C.

### Secretary, Chamber of Commerce—

Sherbrooke, P.Q.  
Kingston, Ont.  
Oshawa, Ont.

Belleville, Ont.  
Peterborough, Ont.  
London, Ont.

Hamilton, Ont.  
Victoria, B.C.  
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

Secretary, Canadian Manufacturers Association—

Toronto, Ont.  
Montreal, P.Q.

Winnipeg, Man.  
Edmonton, Alta.

Vancouver, B.C.  
Victoria, B.C.

The Maritime Provinces Trade Commissioner, 122 Federal Building, Toronto, Ont.

The Bureau of Provincial Information, Victoria, B.C.

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Foodstuffs—</b>			
Butter.....	840	Port of Spain, Trinidad....	Agency.
Canned Vegetables.....	841	Bristol, England.....	Agency.
Dried Fruits.....	842	Bristol, England.....	Agency.
Hard Candies.....	843	Port of Spain, Trinidad....	Purchase and Agency.
<b>Miscellaneous—</b>			
Cosmetics and Toilet Preparations.	844	Sydney, Australia.....	Purchase and Agency.
Silk Hosiery (Women's).....	845	Glasgow, Scotland.....	Agency.
Cotton Underwear.....	846	Port of Spain, Trinidad....	Agency.
Cotton Shirts.....	847	Port of Spain, Trinidad....	Agency.
Cotton Shirts (Men's).....	848	Port of Spain, Trinidad....	Agency.
Men's Felt Hats.....	849	Lima, Peru.....	Agency.
Table Oilcloth.....	850	Liverpool, England.....	Purchase.
Matting Binding.....	851	Bristol, England.....	Purchase.
Dolls.....	852	Sydney, Australia.....	Purchase or Agency.
Christmas Cards.....	853	Melbourne, Australia.....	Agency.
Paper Cups.....	854	Lima, Peru.....	Agency.
Waxing Cartridge Paper.....	855	Melbourne, Australia.....	Purchase.
Wrapping Paper (Kraft).....	856	Port of Spain, Trinidad....	Agency.
Stationery (in Packets).....	857	Bristol, England.....	Purchase.
Exercise Books.....	858	Bristol, England.....	Purchase.
Pulp, Easy Bleaching.....	859	Mexico City, Mexico.....	Purchase.
Pulp, Soda Kraft.....	860	Mexico City, Mexico.....	Purchase.
Pulp, Bleached Sulphite.....	861	Mexico City, Mexico.....	Purchase.
Small Lighting Set.....	862	Melbourne, Australia.....	Agency.
Electric Lighting Fixtures.....	863	Melbourne, Australia.....	Agency.
Anchors (for Dinghies and Pleasure Craft).	864	Auckland, New Zealand...	Agency.
Barbed Wire.....	865	Mexico City, Mexico.....	Purchase.
Steel Rails.....	866	Mexico City, Mexico.....	Purchase.

## PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

### From Saint John

*To Liverpool.*—Duchess of Bedford, Dec. 10 and Jan. 7; Duchess of Atholl, Dec. 15; Montrose, Dec. 24; Montclare, Dec. 31—all Canadian Pacific.

*To London.*—Beaverbrae, Dec. 9 and Jan. 6; Beaverburn, Dec. 16; Beaverhill, Dec. 23; Beaverdale, Dec. 30—all Canadian Pacific.

*To Manchester.*—Manchester City, Dec. 9; Manchester Citizen, Dec. 16; Manchester Regiment, Dec. 23; Manchester Commerce, Dec. 30; Manchester Port, Jan. 6—all Manchester Line.

*To Southampton.*—Duchess of Richmond, Canadian Pacific, Dec. 14.

*To Avonmouth (Port of Bristol), Cardiff and Swansea.*—Norwegian, Dec. 18; Dorelian, Dec. 28; Dakotian, Jan. 14—all Cunard-Donaldson and Dominion Lines.

*To Glasgow.*—Athenia, Dec. 11; Delilian, Dec. 31—both Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Cairnmona (also calls at Dundee), Dec. 14; Cairncross (does not call at Leith), Dec. 28; Cairnesk, Jan. 11—all Cairn-Thomson Line.

*To Dublin and Belfast.*—Torr Head, Dec. 28; Kenbane Head, Jan. 9—both Head Line.

*To Antwerp and Havre.*—Beaverhill, Dec. 23; Beaverburn, Jan. 20—both Canadian Pacific (do not call at Havre); Hada County, Dec. 23; Flint II (does not call at Havre), Jan. 8; Brant County, Jan. 17—all County Line.

*To Rotterdam.*—Hada County, Dec. 23; Flint II, Jan. 8; Brant County, Jan. 17—all County Line.

*To Hamburg.*—Beaverburn, Dec. 16; Beaverford, Jan. 13—both Canadian Pacific.

*To Marseilles, Genoa, Leghorn, Naples, Messina and Palermo.*—Cano Lena, Dec. 16; Capo Olmo, Jan. 13—both Capo Line (call at Lisbon if sufficient cargo offers).

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Drake, Dec. 8; Lady Nelson, Dec. 22; Lady Hawkins, Jan. 5—all Canadian National.

*To Kingston and Jamaican Outports.*—Saramacca, Dec. 6; Coppename, Dec. 20; Suriname, Jan. 3—all United Fruit Co. (cargo accepted for Caribbean, Central and South American ports with transshipment at Kingston).

*To Brisbane, Sydney, Melbourne and Adelaide.*—Port Halifax, Dec. 21; Kaipara, Jan. 21—both Montreal-Australia-New Zealand Line (will also call at Geelong).

*To Auckland, Wellington, Lyttelton and Dunedin.*—Kaikoura (also calls at Timaru and Bluff), Dec. 11; Port Saint John, Jan. 11—both Montreal-Australia-New Zealand Line.

*To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta, Manila, Hongkong and Dairen.*—City of Bath, Dec. 14; City of Salisbury, Dec. 25—both Canada-India Service (cargo accepted for transshipment at Aden, call at other ports as cargo offers).

*To Cape Town, Port Elizabeth, East London and Durban.*—Hope Crest, Cosmopolitan Navigation Co., Dec. 7; Loch Ranza, Dec. 14; Dunkeld (also calls at Sierra Leone, Walvis Bay, Lourenco Marques and Beira), Dec. 26—both Elder Dempster Lines Ltd.

*To Buenos Aires and Montevideo.*—Nordkap, Guardiaz Line, Dec. 7.

### From Halifax

*To Liverpool.*—Duchess of Bedford, Dec. 11; Duchess of Atholl, Dec. 16; Montrose, Dec. 25; Montclare, Jan. 1—all Canadian Pacific; Carinthia, Dec. 6; Auran, Dec. 26; Scythia, Jan. 9—all Cunard-White Star Line; Newfoundland, Dec. 18; Dromore, Jan. 4; Nova Scotia, Jan. 25—all Furness Line; Manchester Division, Manchester Line, Jan. 12.

*To London.*—Beaverbrae, Dec. 10 and Jan. 7; Beaverburn, Dec. 17; Beaverhill, Dec. 24; Beaverdale, Dec. 31—all Canadian Pacific; Ausonia, Dec. 11; Ascania, Dec. 18—both Cunard-White Star Line.

*To Manchester.*—Manchester City, Dec. 11; Manchester Citizen, Dec. 18; Manchester Regiment, Dec. 25; Manchester Commerce, Jan. 1; Manchester Port, Jan. 8; Manchester Brigade, Jan. 15—all Manchester Line.

*To Southampton.*—Duchess of Richmond, Canadian Pacific, Dec. 15.

*To Glasgow.*—Athenia, Dec. 12; Delilian, Jan. 2—both Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Gitano, Dec. 8; Kyno, Dec. 22; Consuelo, Jan. 5—all Ellerman's Wilson Line (call at Aberdeen and Hull but not at Leith); Cairnmona (also calls at Dundee), Dec. 16; Cairncross (does not call at Leith), Dec. 30; Cairnvalona, Jan. 6; Cairnesk, Jan. 13—all Cairn-Thomson Line.

*To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—Boston City, Dec. 15; New York City, Jan. 8; Montreal City, Jan. 28—all Bristol City and Dominion Lines; Norwegian, Dec. 21; Dorelian, Dec. 31; Dakotian, Jan. 18—all Cunard-Donaldson and Dominion Lines.



*To Antwerp.*—Beaverhill, Dec. 24; Beaverburn, Jan. 21—both Canadian Pacific.  
*To Hamburg.*—Beaverburn, Dec. 17; Beaverford, Jan. 14—both Canadian Pacific.  
*To Gothenburg.*—Gripsholm, Dec. 10; Drottningholm, Jan. 24—both Swedish-American Line; Blankaholm, Dec. 20; Lagaholm, Jan. 17—both Swedish-America-Mexico Line (also call at Scandinavian ports).

*To St. John's, Nfld.*—Belle Isle (also calls at St. Pierre-Miquelon), Newfoundland-Canada SS. Ltd., Dec. 13 and 27; Newfoundland, Dec. 18; Dromore, Jan. 4; Nova Scotia, Jan. 25—all Furness Line; Fort Amherst, Furness-Red Cross Line, Dec. 6 and 20 and Jan. 3.

*To Hamilton, Nassau, Kingston and Belize.*—Lady Somers, Dec. 9; Cathcart (does not call at Hamilton or Nassau), Dec. 16; Lady Rodney, Dec. 23; Cavellier (does not call at Hamilton or Nassau), Dec. 30—all Canadian National.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Drake, Dec. 16; Lady Nelson, Dec. 30; Lady Hawkins, Jan. 13—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer, Dec. 11 and 24—both Ocean Dominion SS. Corp (call at Guadalupe and Martinique if sufficient cargo offered).

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Colborne, Dec. 18; Chomedy, Jan. 8—both Canadian National (call at Guadalupe and Martinique if sufficient cargo offered).

*To Santiago (Cuba) and Kingston (Jamaica).*—Ciss, Dec. 15 and Jan. 12; Kirsten B, Dec. 29—both Pickford & Black Ltd.

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*To Auckland, Wellington, Lyttelton and Dunedin.*—Kaikoura (also calls at Timaru and Bluff), Dec. 19; Port Saint John, Jan. 19—both Montreal-Australia-New Zealand Line.

*To Yokohama, Kobe, Hongkong, Manila, Cebu and Java.*—Silversandal, Dec. 5; Silver-yew, Jan. 2—both Silver Line; Chinese Prince, Dec. 20; Javanese Prince, Jan. 17—both Furness-Prince Line.

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*To Yokohama, Kobe and Osaka.*—Heian Maru, Dec. 25; Hikawa Maru, Jan. 11; Hiye Maru, Jan. 22—all Nippon Yusen Kaisha.

*To Yokohama, Kobe, Hongkong and Manila.*—Empress of Russia (calls Nagasaki), Dec. 11; Empress of Japan (calls Honolulu), Dec. 25; Empress of Asia (calls Nagasaki), Jan. 8; Empress of Canada (calls Honolulu), Jan. 22—all Canadian Pacific; Tyndareus, Jan. 6; Ixion, Feb. 3—both Blue Funnel Line (call at Miike but not at Manila).

*To Manila, Hoilo, Cebu, Macassar, Soerabaya, Samarang, Batavia, Singapore, Port Swettenham, Belawan Deli, Colombo, Bombay and Persian Gulf Ports.*—Bengkalis, Silver-Java Pacific Line, Jan. 1.

*To Honolulu, Suva, Auckland and Sydney.*—Aorangi, Dec. 22; Niagara, Jan. 19—both Canadian-Australasian Line.

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*To London, Liverpool and Rotterdam.*—Delftdyk (calls at Glasgow), Dec. 11; Lochgoil, Dec. 25; Lochmonar (calls at Glasgow), Jan. 8; Drechtdyk, Jan. 22—all North Pacific Coast Line.

*To Antwerp, Hamburg and Bremen.*—Vancouver, Dec. 8; Oakland, Jan. 1; Seattle, Jan. 26—all Hamburg-American Line; Elbe, Dec. 20; Weser, Jan. 10; Este, Feb. 2—all North German Lloyd Line.

*To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.*—Wyoming, Empire Shipping Co., Dec. 10.

*To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.*—Cellina, Dec. 21; Leme, Jan. 26—both Empire Shipping Co.

*To Port of Spain (Trinidad) and Bridgetown (Barbados).*—Brynje, Canadian Transport Co., about Dec. 6.

*To Kingston (Jamaica), Trinidad and Demerara.*—British Monarch, Canadian Transport Co., early December.

*To Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques, Beira, Colombo, Calcutta and Madras.*—Salawati, Jan. 4; Silverbelle, Feb. 4—both Silver-Java Pacific Line; Arna (does not call at East London, Colombo, Calcutta or Madras), North Pacific Shipping Co. Ltd., early December.

*To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.*—Leikanger, Empire Shipping Co., Dec. 24.

**Note.**—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.

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**CONDENSED LIST OF PUBLICATIONS ISSUED BY THE DEPARTMENT  
OF TRADE AND COMMERCE**

Applications for publications in this list, together with remittances therefor, should be addressed to the King's Printer, Government Printing Bureau, Ottawa, marked "Attention Chief Clerk of Distribution."

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Publications of the Commercial Intelligence Service are compiled with a view to furnishing Canadian exporters with information respecting the possibilities for the sale of Canadian goods abroad, the nature of the competition to be encountered, Customs requirements, etc., and are not intended for general distribution. The publications available include leaflets giving Invoice Requirements and a series on Points for Exporters, both covering countries included in the territories assigned to Trade Commissioners.

From time to time special reports are issued separately, which subscribers to the Commercial Intelligence Journal are entitled to receive free of charge. In all other cases their distribution is controlled by the King's Printer, who fixes a price therefor.

**PUBLICATIONS OF THE DOMINION BUREAU OF STATISTICS**

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**Canada Year Book.** (Price \$1.50.)

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L. D. WILGRESS, *Director*

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*London:* W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C.2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—covers United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

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**Note.**—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.



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# COMMERCIAL INTELLIGENCE JOURNAL

Vol. LVII

Ottawa, December 11, 1937

No. 1767



Police Mounts from Canada arriving at Port of Spain, Trinidad.

*Courtesy, Trinidad Publishing Co., Ltd.*

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THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE  
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# COMMERCIAL INTELLIGENCE JOURNAL

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Vol. LVII

Ottawa, December 11, 1937

No. 1767

## REDUCTION IN AIR MAIL RATES

With reference to the notice published in *Commercial Intelligence Journal* No. 1758 (October 9, 1937) respecting the postponement of the reduced rates on air mail from Canada pending further negotiations, the Post Office Department announces that arrangements have now been concluded.

A schedule of the new rates, effective December 15, 1937, is appended:—

### Air Mail Rates

Any Place in	Postage including Fees for all Air Mail Services Available
1. Canada, Great Britain and Northern Ireland, Irish Free State, Newfoundland or any place in North America not mentioned in Groups 2 and 4 . . . . .	6 cents first ounce 5 cents each ounce after
2. United States, Bermuda . . . . .	6 cents each ounce
3. Europe (except places mentioned in Group 1) . . . . .	10 cents each ounce
4. West Indies and British Guiana, Mexico, Cuba, Central America . . . . .	10 cents each $\frac{1}{2}$ ounce
5. Africa, Asia . . . . .	25 cents each $\frac{1}{2}$ ounce*
6. Australasia . . . . .	35 cents each $\frac{1}{2}$ ounce
7. South America:	
(a) Colombia, Ecuador, Venezuela, Dutch Guiana, and French Guiana . . . . .	25 cents each $\frac{1}{2}$ ounce
(b) Argentina, Bolivia, Brazil, Chile, Paraguay, Peru, and Uruguay . . . . .	35 cents each $\frac{1}{2}$ ounce

Registration, if desired, is additional to the above.

\* This rate does not apply to air mail despatched by the U.S. "Clipper" service from San Francisco to Hawaii, Guam, and the Philippine Islands, for which the rate is 25 cents, 50 cents and 75 cents per half ounce, respectively. The air mail rate via San Francisco to Macao and Hongkong is 90 cents per half-ounce.

## ECONOMIC CONDITIONS IN JAMAICA

F. L. CASSERLY, ACTING TRADE COMMISSIONER

Kingston, Jamaica, November 19, 1937.—Addressing the Jamaica Legislative Council at the opening of its autumn session on November 10, His Excellency the Governor called attention to the island's favourable economic position and to the flourishing state of public finance.

### EXPORT TRADE

**Bananas.**—On account of good seasons and the absence of a hurricane this year, exports of bananas have greatly exceeded those of 1936. To date about 24,000,000 stems of bananas, which account for well over one-half of the total value of the export trade, have been shipped, and this figure is about 8,000,000 greater than the figure for the corresponding period of 1936. The excess is estimated to represent between £2,000,000 and £3,000,000 sterling distributed in the country. It is anticipated that more than 25,000,000 stems of bananas will have been exported by the close of the year—a record figure.

The average price paid for contract fruit is 2s. 10½d. per "count" stem, and a price of 3s. was maintained for twenty-four consecutive weeks. There is no precedent for this in the history of the industry, and it is especially remarkable in a year of abnormally high output. Good markets, and government regu-

lation of buying and shipping fruit, as well as the establishment of co-operation between the three exporting organizations, doubtless are responsible for so favourable a yield to planters.

*Sugar.*—The 1937-38 sugar crop, now under way, is expected to produce 120,000 long tons, a record for many years. Legislation is being enacted to allocate the quota given Jamaica as agreed at the Industrial Sugar Conference, and also to safeguard the interests of cane farmers.

*Citrus Fruits.*—In the 1936-37 citrus season 453,941 crates of oranges and grapefruit were shipped, of which more than one-half went to the United Kingdom, more than one-third to Canada, about one-tenth to New Zealand, and the remainder to Bermuda. Canada takes most of the exports of oranges, and the prospects of this trade with the Dominion are considered very good. The New Zealand market having lately been reopened to Australian oranges, Jamaica's shipments to the former country are expected to decline. They are not likely to exceed 36,000 crates during the 1937-38 season, just begun.

*Coffee.*—Shipments of coffee this year are, so far, only about half as large as those made in the corresponding period of 1936. Canada, the chief market, is heavily stocked, and the present year's crop is below normal.

*Tobacco.*—Leaf tobacco, which is being developed with government aid (see *Commercial Intelligence Journal* No. 1762: November 6, 1937, pages 805-807), has been shipped to date in the total quantity of about 70,000 pounds. The forthcoming crop is estimated to yield 300,000 pounds.

*Small Fruits and Vegetables.*—The export trade in small fruits and vegetables, initiated by the Government about two years ago, has made gratifying progress. In Kingston there is a packing, processing, and refrigerating unit owned and operated by the Government. At first this venture was mainly experimental, but the equipment has been enlarged, and the Department of Agriculture, which is in charge, processes, packs, ships, and sells fruit and vegetables supplied by private individuals, who pay the Department for this service. In the period January to October, 1937, inclusive, a total of 32,445 packages representing £7,500 in value f.o.b. or £9,500 c.i.f. countries of destination, had been shipped. Exports are expected to total 100,000 packages in 1938. The Department has recently bought crates from a Canadian manufacturer. This export business, which is conducted in a most efficient and up-to-date manner, represents a direct increment to the country's economic wealth. It has, moreover, excellent prospects of development.

The value of Jamaica's domestic exports in the period January to June, 1937, was £2,424,086, as compared with £1,641,149 in the corresponding period of 1936.

#### IMPORT TRADE

Total imports into Jamaica in the six months ending June 30, 1937, were valued at £2,872,725 c.i.f., as compared with £2,348,515 in the corresponding period of 1936. There were increases this year in imports of most articles, notably apparel, boots and shoes, fertilizers, gasoline, motor vehicles, and parcels post. The only large items showing a decrease from last year are cotton piece-goods and flour. Imports of the latter in the nine months ending September 30 were as follows (bags of 196 pounds):—

#### *Imports of Flour into Jamaica*

From	1936		1937	
	Bags	£	Bags	£
Canada . . . . .	203,047	190,699	155,607	174,550
United Kingdom . . . . .	34,377	29,383	74,410	71,951
Australia . . . . .	74,576	62,147	31,819	29,168
United States . . . . .	1,029	1,507	2,472	3,316
Total . . . . .	313,029	283,736	264,308	278,985



The decrease in imports of flour during the present year doubtless is due to the heavy crop of locally grown foodstuffs, especially yams and breadfruit, the production of which has been unusually high.

In the first nine months of the present year as compared with the corresponding period of 1936, wearing apparel and boots and shoes increased by £6,378 and over £10,000 respectively. Imports of motor trucks were 408 in 1937 and 294 in 1936 (nine-month periods). On the whole, business is better than it has been for many a year, and the forthcoming Christmas trade promises to be bright.

#### PUBLIC FINANCE

Due to the high yield of public revenue, especially import duties, an anticipated deficit of £37,500 as at March 31, 1937, has been turned into a surplus of over £16,000, and it is estimated that on March 31, 1938, the exchequer will have a surplus of £235,000.

[Since the receipt of this report serious floods have occurred in the northern coastal region of Jamaica, resulting in extensive damage to roads, bridges, and other public property. As this will probably necessitate considerable expenditure by the Jamaica Government for repairs, the above-mentioned surplus will accordingly be reduced.]

As from April 1 last, goods subject to ad valorem duty have been assessed c.i.f. Kingston instead of f.o.b. as formerly, and the excess yield on this account alone is put at £60,000 a year. It was originally estimated at £40,000, but prices of goods and ocean freight have since advanced.

*Customs Duty Collections.*—Total collections of customs duties in the current fiscal year are estimated at £147,000 more than the figure of £1,155,665 shown in the estimates passed by the Legislative Council not many months ago. To this excess gasolene duties are expected to contribute £54,000, owing not only to larger imports but also to the increase of 1½d. per gallon in the duty, effective as from June 10 last, when the tariff preference on British Empire (in practice, Trinidad) gasolene, till then dutiable at 6d. per gallon, was abolished and a rate of 7½d. imposed on this article, whencesoever imported. Increased yield of duties on tobacco and condensed milk are also anticipated.

*Public Debt.*—Jamaica's public debt as at March 31, 1937, stood at £3,974,477, against which there were accumulated sinking funds in the total sum of £512,239, leaving a net debt of £3,462,238, or about £3 10s. per head of population. The net debt exceeds the public revenue for 1936-37, which was £2,212,365, by £1,249,873.

*Loans.*—On September 16 the Government called for tenders in Jamaica on £100,000 of 3½ per cent loan to be issued at par for a term of twenty-five years, this sum being part of the second instalment (totalling £600,000) of the loan program of £2,000,000 approved by the Legislative Council and the Secretary of State for the Colonies. Tenders which the Government accepted totalled £160,000. The remaining £440,000 has since been raised (all but £550) in London by an issue of £470,000 or 3 per cent loan at 93½. The purposes of this £600,000 loan issue include the building and repair of roads and bridges, irrigation works, schools, hospitals, swamp reclamation, agricultural development, land settlement, housing schemes, and water supplies.

#### PROPOSED PUBLIC IMPROVEMENTS

The Government has under consideration several other public improvements, notably the building of an aerodrome and a wireless broadcasting station in Kingston, the establishment of a long-distance telephone service linking the capital with the country towns and districts, and the betterment of air and sea communication with Miami, Florida, with a view to tourist trade development.

In the last-named respect it is proposed to subsidize the Pan-American Airways, Inc., and also the Clarke Steamship Company of Miami, who would in turn operate respectively special aeroplane services and a weekly steamship service between Miami and Kingston during the season (between January and April), and who would also conduct in the United States a sales and publicity campaign on behalf of Jamaica. The Pan-American Airways, who hold a franchise from the Government, have for some years past included Jamaica in their system. Nothing has yet been decided about these important matters.

The Jamaica Government Railway's earnings have increased in consequence of the much larger quantities of bananas needing to be carried to points of shipment. It has been decided to purchase some additional rolling stock, which is urgently needed.

Important measures before the Legislative Council are the Road Traffic Bill, designed for the better regulation of motor vehicles, and a Bill to compel their owners to carry third-party insurance. Considerable increases of licence fees were proposed, but these have been deferred following protests. It is recognized, however, that better regulation of motor traffic is a public necessity.

## TRADE OF BRITISH GUIANA IN 1936

G. A. NEWMAN, ASSISTANT TRADE COMMISSIONER

Port of Spain, Trinidad, November 22, 1937.—British Guiana, a British Crown Colony on the mainland of South America but in close proximity to Trinidad, may be considered as one of the three major markets of the Eastern Group of the British West Indies.

It has an area of 90,500 square miles and a population of 332,898, 42 per cent of which are East Indian and 38 per cent of African extraction. Portuguese number 8,573, and other Europeans 2,188. The similarity of the racial components of the population to those of Trinidad makes for similar market demands in the two colonies wherever geographical differences are not of importance.

### GENERAL PRODUCTION AND EXPORTS

British Guiana in no way differs from the British West Indies markets in being dependent on agriculture for its major source of revenue. This, however, in recent years has been supplemented in increasing measure by the exploitation of mineral resources consisting of bauxite, gold and diamonds, and by a moderate development of a timber trade the chief export of which is greenheart.

### AGRICULTURE

During 1936, in spite of the fact that sugar had an average value of \$38.72 per ton, or about one dollar per ton lower than 1935, production increased from 178,041 tons (1935) to 195,944 tons. This was reflected in a slight direct increase in the volume but not in the value of sugar exports, which amounted to \$6,852,903 as compared with \$6,926,010 in 1935. An increase, however, was shown in the sugar by-products of rum and molasses, the export values in 1936 being \$636,283 and \$419,712 respectively as compared with \$422,607 and \$307,931 in 1935.

Rice, the other major agricultural product of British Guiana, although produced in smaller quantities in 1936 than in 1935—36,348 tons as compared to 51,313 tons—increased in export volume and value from 10,565 tons (\$471,130) to 20,559 tons (\$808,547). Due to keen competition from imports from India on the British West Indies markets—the main outlet for British Guiana rice—efforts were made to curtail exports in 1935, and no doubt a portion of the



resulting carryover was to be found in the 1936 exports. This, in part, was responsible for the increased trade noted above, even though the price of \$39.40 per ton for 1936 was much below the 1935 average of \$45.37 per ton.

The remaining agricultural products of importance to British Guiana were exported in the following values in 1936 as compared to 1935: coconuts, \$24,755 (\$33,891); copra, \$37,051 (\$55,134); and coffee, \$15,326 (\$23,849).

#### MINING

Next to sugar, bauxite was the Colony's most valuable export product during 1936. Bauxite came into major production in 1923 and reached its export peak in 1929, when some 186,114 long tons were exported. There followed a pronounced slump during the depression years of 1930-34; only in 1935 were there indications of recovery. Exports in 1936 were valued at \$1,030,132 as compared with \$663,911 in 1935.

The production of gold in British Guiana increased from 33,211 ounces in 1935 to 35,113 ounces in 1936; exports were valued at \$845,494 and \$926,526 respectively. There was, however, a decrease in the diamond output: production amounted to 40,017 carats compared with 46,563 carats in 1935. Exports in 1936 were valued at \$487,724 compared with \$496,313 in 1935.

#### TIMBER

Increasing interest is being displayed in timber production, not only from the point of view of expanding domestic sales but also of securing a larger share of export markets. Production of timber and forest products in 1936 compared with 1935 consisted of: greenheart, 600,597 cubic feet (494,080); other hardwoods, 33,648 cubic feet (38,862); softwoods, 129,051 cubic feet (122,613); balata, 127,823 pounds (251,897); charcoal, 1,526,689 pounds (12,577,705).

Of these items, 270,089 cubic feet of greenheart timber and 476,266 superficial feet of greenheart lumber were exported in 1936, to a total value of \$165,721 as compared with \$117,669 for 1935. The growth in export is attributed to an increasing market for this wood in the United States.

Charcoal is purchased mainly by the British West Indies, and in 1936 exports to the value of \$47,397 went to that market as compared with \$46,669 in 1935. The production of balata has been declining for some years past; exports in 1936 were valued at \$47,536 as compared with \$69,354 in 1935.

#### TOTAL TRADE

As the result of the increase in exports of bauxite, rice, rum, molasses, timber and gold, which more than offset the decreased export values of coffee, coconuts, diamonds and copra, the total export trade in 1936 amounted to \$11,699,999, the highest since 1930. This, together with an increase in imports made 1936 the best year for total trade since the depression as is evident from the following table:—

	1934	1935	1936
Imports.. . . . .	\$ 8,400,031	\$ 9,802,839	\$ 9,448,189
Exports.. . . . .	8,832,065	10,642,677	11,699,999
Total .. . . . .	\$17,282,096	\$19,445,516	\$21,148,188

There was a favourable balance of trade in 1936 to the value of \$2,251,810 as compared with \$1,839,836 in 1935, a gain of \$411,974.

#### FINANCES

Increased trade in 1936 was reflected in the expansion in colonial revenue, which amounted to \$5,483,088, and, with the inclusion of grants for colonial

development schemes and loans in aid of relief measures, to a general total of \$5,852,985.

General expenditures, which were slightly higher than in 1935, totalled \$5,432,025, but balanced against colonial revenues exclusive of grants, etc., permitted a surplus of \$51,063 as compared with a deficit of \$189,156 in 1935. Total expenditures, which included colonial development fund schemes and unemployment and relief works secured by Imperial grants, amounted to \$5,609,918.

The public debt in 1936 amounted to \$23,312,348, and the sinking fund accumulated for its reduction to \$2,596,128.

### SHIPPING

British Guiana is served with direct sailings from Canada, the United Kingdom, the United States, and a number of Continental countries. In 1936, 547 steamers with a total tonnage of 792,915 tons and 783 sailing vessels with a total tonnage of 17,130 tons entered British Guiana ports. Georgetown is almost the only port of entry for steamships. Distribution of steamer tonnage entering this port, according to ports of sailing, listed Canada with 234,368 net tons, the United Kingdom with 163,693 tons, and the United States with 32,657 tons, compared with 250,569 tons, 115,702 tons, and 57,848 tons respectively in 1935.

### DIRECTION OF TRADE

#### EXPORTS OF DOMESTIC PRODUCTS

The United Kingdom ranks first in total trade with British Guiana. British Guiana exports to the United Kingdom increased from a value of \$4,334,254 in 1935 to \$4,840,184 in 1936, and thus recovered in some degree from the downward movement which was precipitated in 1933. Increased exports of rum, gold, bauxite, sugar, and timber contributed to this gain; molasses and diamonds, the other two items which make up the bulk of the exports to the United Kingdom, declined in value.

The value of exports to Canada, the second major market for British Guiana products, increased from \$4,510,571 in 1935 to \$4,643,179 in 1936, the gain in trade being largely in bauxite (36.4 per cent to Canada) and in molasses (53.5 per cent to Canada). Sugar, which is credited with being 57.8 per cent of the exports to the Dominion, declined in value from \$4,226,230 in 1935 to \$3,964,044 in 1936.

The United States, the third most important market, is credited with \$681,719 in 1936 compared with \$565,694 in 1935, the gain of \$116,025 resulting largely from increased shipments of bauxite which constituted 85 per cent of the exports from British Guiana to that country. Exports of greenheart timber to the United States were valued at \$47,386 in 1936 compared with \$2,790 in 1935.

The remaining important market for British Guiana products, the British West Indies, increased its purchases of rice from \$301,047 in 1935 to \$574,839 in 1936. As this item accounts for 74 per cent of the total export trade to the British West Indies, the total exports to these colonies increased from \$504,789 to \$771,376. The other products contributing to the trade were charcoal, lumber and firewood.

### IMPORTS

British Guiana imports have been moving steadily upward since 1934. The following table shows the percentage distribution of this trade among the three major sources of supply, Great Britain, Canada and the United States:—



	1932	1933	1934	1935	1936
Total imports . . . . .	\$8,116,278	\$8,647,996	\$8,400,031	\$8,802,839	\$9,448,189
Per cent:					
United Kingdom. . . . .	63.3	61.9	56.2	55.1	55.2
Canada . . . . .	12.2	12.4	13.0	14.7	13.9
United States . . . . .	6.9	6.3	7.3	9.1	8.0

It will be appreciated that, while a percentage decrease in total trade was recorded in 1936 as compared with 1935 for both Canada and the United States, the actual volume of imports from each country increased over the previous year's due to the pronounced increase in total imports to which these percentages refer. Thus, while Canada's share was 13.9 per cent in 1936 as compared with 14.7 per cent in 1935, there was an actual gain of \$14,621 as compared with the 1935 increase of \$101,218. Similarly, imports from the United States showed an actual increase of \$20,717 in 1936 as compared with an increase of \$183,476 for 1935.

The greatest increase in imports in 1936 was from Great Britain, the value of whose products moved from \$4,334,254 to \$4,840,184, a gain of \$505,930.

#### *Principal Increases from the United Kingdom*

	1932	1935	1936
Metals and manufactures of metal . . . . .		\$348,072	\$374,274
Sugar machinery . . . . .	\$274,927	154,361	295,518
Manures . . . . .	259,004	271,004	293,753
Boots and shoes . . . . .	139,923	124,424	173,789
Common soap . . . . .	91,288	109,336	112,331
Paper and paper manufactures . . . . .	77,422	108,326	110,504
Motor cars and lorries . . . . .	99,106	69,379	102,972
Agricultural machinery . . . . .	7,856	28,637	72,768
Confectionery . . . . .	23,656	40,848	61,833
Bicycles and tricycles . . . . .	19,341	36,040	57,134
Paints and colour materials . . . . .	44,300	60,682	61,951
Electrical apparatus, other than dental . . . . .	14,376	28,215	42,219
Indiarubber and gutta percha . . . . .	19,886	31,702	36,403
Agricultural implements and tools . . . . .	18,189	30,414	34,813

Among the products of which imports declined in 1936, the major item, cotton goods, fell from \$690,707 to \$689,593, and silk manufactures, including art silk from \$131,646 to \$117,536. Other items included alcoholic beverages, butter, smoked and dried fish, wheaten flour, pulse, lard, pickled meats, manufactured tobacco, cement and woollen manufactures. Products the import value of which was over \$50,000, but which have remained at about the same level during recent years, were hats and caps, chemicals, cotton manufactures (other than piece-goods) and medicines and drugs.

Imports from the United States totalled \$823,962 as compared with \$803,245 in 1935. The principal products the values of which showed increases were mining machinery, \$81,687 (\$39,741 in 1935); unmanufactured tobacco, \$61,379 (\$56,768); explosives, \$27,044 (\$13,287); films, \$26,655 (\$20,148); electrical machinery, \$14,751 (\$4,090); canned fish, \$14,195 (\$9,741); fresh fruit, \$12,289 (\$8,121); smoked fish, \$10,037 (\$7,554); and motor car parts, \$12,429 (\$8,360).

A decline in imports from the United States was recorded in timber products other than lumber (\$68,657 as compared with \$98,135), and in electrical apparatus (\$79,166 as compared with \$89,097). Products of lesser value which showed decreases were pickled meats, grease, and apparel (including hosiery).

Over 70 per cent of the imports from the British West Indies consisted of petroleum products. Imports from these colonies totalled \$370,678 as compared with \$361,875 in 1935.

From Holland the principal imports were fresh vegetables \$34,577 (\$14,149 in 1935), and condensed milk \$30,250 (\$32,250); from Belgium, manures \$31,753 (\$32,812); and from Japan, silk manufactures (including art silk) \$43,896 (\$28,639) and hosiery \$34,992 (\$25,306).

## IMPORTS FROM CANADA

Exports from British Guiana to Canada in 1936 were valued at \$4,643,179 as compared with imports from Canada valued at \$1,314,055—a favourable balance of trade for British Guiana of \$3,329,124 and an increase of \$118,347 over the previous year.

## INCREASES AND DECREASES

Among the 1936 increases, flour, the major product imported from the Dominion, showed a gain of \$136,474 over 1935, and Canada, with 50·5 per cent of the total trade, resumed first place among suppliers, a position which had been lost to the United Kingdom since 1931.

Other products registering an increase over 1935 were: pickled meats; peas, beans and lentils; cheese; cement; metal furniture; motor cars; paper, other than printing paper; and rubber shoes.

Textiles and wearing apparel, such as hosiery, hats and ladies' footwear—recent importations from the Dominion—showed moderate but encouraging increases in 1936.

The heaviest decrease in imports from Canada was one of \$61,354 in wooden containers for which Canada was almost the sole source of supply.

High prices and Dutch competition in 1936 caused a recession in the imports of Canadian potatoes to the extent of \$23,679. Oilmeal imports from Canada, by receding to \$862 from the 1935 value of \$11,373, fell to their lowest point since 1932.

Although Canada supplied 99 per cent of the total importations of oats in 1936, the actual trade value decreased during the year by \$8,072. Manure imports from Canada, such as sulphates of ammonia, nitrates, etc., decreased to the extent of \$22,230—a drop from 16 per cent to 11 per cent of the total trade. During this period the United Kingdom's share of this trade increased from 69 per cent to 75 per cent; the total value was \$344,556.

Condensed milk imports from the Dominion to the value of \$711 were the lowest recorded in recent years. Imports from the United Kingdom continued their upward movement from 110,749 pounds in 1934 to 489,191 pounds in 1936 or 46 per cent of the total.

Machinery, valued at \$836,111, constituted the largest item of general import in 1936, and showed a gain of \$314,004 over the 1935 total of \$522,113. In 1936 Canada was credited with 3 per cent of this trade as against 16 per cent in 1935, on the other hand, imports from the United Kingdom increased from 62 per cent of the total to 75 per cent.

Declines were recorded in mining machinery, \$10,406 (\$53,060); in sugar machinery, \$395 (\$13,730); and in electrical machinery, \$1,558 (\$7,928).

Canadian supplies of unmanufactured lumber showed a slight gain of \$3,363 in 1936, but an examination of imports in recent years reveals that since 1932 at least the gain in Canadian trade has not been commensurate with the general increase in receipts of unmanufactured timber and lumber, the total imports of which were valued at \$186,069 in 1936 as compared with \$79,821 in 1932. Over this period there has been a steady increase in the importation of dressed pitch pine from the United States—1932, \$1,787; 1935, \$15,191; 1936, \$23,511.

## IMPORTS OF INTEREST TO CANADIAN EXPORTERS

Following is a list of the principal imports into British Guiana in 1936 that are of interest to Canadian shippers, with comparative figures for 1935:—

*Flour*.—173,929 bags (196 lbs.) (184,091 bags), \$809,104 (\$746,062): United Kingdom, \$348,907; Canada, \$458,637 (\$322,163).

*Potatoes*.—7,335,205 lbs. (8,262,783 lbs.), \$124,720 (\$127,668): Holland, \$34,577; Canada, \$79,653 (\$103,332).



- Smoked or Dried Fish.*—34,728 cwts. (38,229 cwts.), \$170,128 (\$196,340): United Kingdom, \$66,471; Canada, \$88,624 (\$90,231).
- Wood and Timber, Unmanufactured, Unspecified Timber, Other than Pitch Pine.*—1,430,605 sup. ft. (1,478,951 sup. ft.), \$68,218 (\$64,193): Canada, \$67,833 (\$64,470).
- Wood Manufactures, Furniture.*—\$24,131 (\$22,784): United Kingdom, \$4,832; Canada, \$10,224 (\$6,995).
- Wood Manufactures, Containers.*—\$16,013 (\$77,367): Canada, \$12,620 (\$72,898).
- Wood for Making Containers.*—\$71,100 (\$99,989): United States, \$69,657; Canada, \$1,443 (\$2,101).
- Metals, Nails and Spikes.*—7,685 cwts. (7,110 cwts.), \$23,308 (\$25,039): United Kingdom, \$6,465; Canada, \$12,998 (\$18,241).
- Metal Furniture.*—\$55,411 (\$49,917): United Kingdom, \$33,574; Canada, \$17,076 (\$11,850).
- Iron and Steel Manufactures, Unspecified.*—\$58,087: United Kingdom, \$48,220; Canada, \$8,032.
- Punt Plates and Cane Carrier Chains.*—\$56,433 (\$28,344): United Kingdom, \$51,727; Canada, \$3,860 (\$2,962).
- Rivets, Clinches, Wire and Wire Manufactures.*—3,440 cwts. (5,099 cwts.), \$18,374 (\$24,224): United Kingdom, \$12,153; Canada, \$1,853 (\$4,004).
- Tinned and Canned Fish.*—459,680 lbs. (462,562 lbs.), \$65,259 (\$65,174): United States, \$14,195; Canada, \$43,484 (\$44,215).
- Manures, Sulphates of Ammonia, Nitrates, etc.*—9.963 tons (10,268 tons), \$334,556 (\$333,732): United Kingdom, \$293,081; Canada, \$40,616 (\$63,376).
- Pickled and Salted Meats.*—8.295 bbls. (200 lbs.) (11.987 bbls.), \$137,787 (\$201,389): Argentina, \$42,942; United Kingdom, \$23,438; United States, \$17,963; Canada, \$35,898 (\$27,444).
- Oats.*—1,963,644 lbs. (2,500,632 lbs.), \$31,787 (\$40,531): Canada, \$31,417 (\$39,489).
- Motor Cars, Lorries, Vans.*—200 (157), \$130,644 (\$91,486): United Kingdom, \$102,972; Canada, \$26,224 (\$21,303).
- Paper and Paper Manufactures, Printing.*—\$51,437 (\$40,174): United Kingdom, \$32,772; Canada, \$8,761 (\$8,320).
- Paper, Other Kinds.*—\$121,161 (\$130,520): United Kingdom, \$77,121; Canada, \$17,412 (\$13,457).
- Medicines and Drugs.*—\$118,629 (\$111,830): United Kingdom, \$56,637; United States, \$34,178; Canada, \$18,694 (\$20,634).
- Mackerel and Salmon, Pickled.*—Canada, 2,565 bbls. (200 lbs.) (2,038 bbls.), \$17,997 (\$16,893).
- Other Kinds, Pickled.*—Canada, 182 bbls. (200 lbs.) (102 bbls.), \$1,291 (\$647).
- Cheese.*—301,205 lbs. (254,014 lbs.), \$45,530 (\$33,741): New Zealand, \$23,955; Canada, \$16,597 (\$9,561).
- Boots and Shoes, Wholly or Partly Rubber.*—15,945 doz. prs. (12,560 doz. prs.), \$58,025 (\$46,390): Hongkong, \$27,916; Canada, \$14,285 (\$11,013).
- Boots and Shoes, Other Kinds.*—14,147 doz. prs. (10,446 doz. prs.), \$186,784 (\$134,616): United Kingdom, \$171,409; Czechoslovakia, \$10,971; Canada, \$2,104 (\$550).
- Rubber Tires and Tubes for Motor Cars and Motor Cycles.*—\$32,860 (\$32,478): United Kingdom, \$17,661; Canada, \$13,073 (\$12,894).
- Outer and Under Garments except Hosiery.*—\$115,953 (\$81,666): United Kingdom, \$64,526; Hongkong, \$28,381; Canada, \$13,334 (\$15,955).
- Cement.*—26,428 bbls. (22,802 bbls.), \$63,079 (\$76,088): United Kingdom, \$49,368; Canada, \$10,790 (\$5,319).
- Farinaceous Preparations other than Flour, Oats, Beans, etc.*—608,060 lbs. (584,207 lbs.), \$26,455 (\$26,363): British Malaya, \$10,832; Canada, \$9,905 (\$10,120).
- Mining Machinery.*—324 tons (317 tons), \$133,373 (\$98,753): United Kingdom, \$39,723; United States, \$81,687; Canada, \$10,406 (\$53,060).
- Machinery, Other Kinds.*—269 tons (143 tons), \$91,496 (\$69,609): United Kingdom, \$52,451; Canada, \$9,973 (\$7,202).
- Sugar Machinery.*—1,436 tons (933 tons), \$312,319 (\$177,428): United Kingdom, \$295,518; Canada, \$395 (\$13,730).
- Lubricants.*—1,120,990 lbs. (1,060,377 lbs.), \$53,687 (\$50,583): United Kingdom, \$32,412; United States, \$11,676; Canada, \$7,619 (\$3,825).
- Onions.*—1,956,876 lbs. (1,814,244 lbs.), \$44,128 (\$40,804): Portuguese Possessions, \$10,814; Holland, \$8,632; Canada, \$8,158 (\$10,365).
- Peas, Beans, and Lentils.*—3,414,818 lbs. (3,081,284 lbs.), \$92,538 (\$88,757): United Kingdom, \$73,780; Canada, \$8,954 (\$965).
- Beer, Ale, Stout, and Porter.*—117,290 gals. (152,451 gals.), \$112,228 (\$141,129): United Kingdom, \$99,643; Canada, \$6,480 (\$4,007).
- Paints.*—7,725 cwts. (7,233 cwts.), \$70,964 (\$68,746): United Kingdom, \$61,951; Canada, \$6,661 (\$4,939).

*Motor Car Parts.*—\$33,696 (\$24,565): United Kingdom, \$13,897; United States, \$12,429; Canada, \$6,659 (\$6,496).

*Fodder.*—172,644 lbs. (223,833 lbs.), \$2,396 (\$3,726): United States, \$114; Canada, \$2,282 (\$3,582).

*Bran, Pollard, and Schumaker Feed.*—112,662 lbs. (108,932 lbs.), \$1,956 (\$1,992): Canada, \$1,915 (\$1,914).

*Grain Feeds.*—75,542 lbs. (94,282 lbs.), \$2,013 (\$2,580): Canada, \$1,443 (\$1,811).

*Oilcakes and Oilmeal.*—976,884 lbs. (1,130,959 lbs.), \$14,989 (\$19,506): United States, \$13,540; Canada, \$862 (\$11,373).

*Fresh Fruits (Apples).*—146,934 lbs. (112,455 lbs.), \$7,863 (\$5,781): United States, \$1,708; Canada, \$6,050 (\$4,525).

*Hosiery, Silk.*—1,599 doz. prs. (786 doz. prs.), \$7,751 (\$5,408): Canada, \$7,310 (\$5,324).

*Hosiery, Art Silk.*—14,543 doz. prs. (12,249 doz. prs.), \$19,194 (\$19,012): United Kingdom, \$12,522; Hongkong, \$3,553; Canada, \$2,599 (\$2,533).

*Hosiery, Cotton.*—8,582 doz. prs. (6,866 doz. prs.), \$7,578 (\$6,900): Hongkong, \$3,379; United Kingdom, \$2,801; Canada, \$1,389 (\$594).

*Canned and Preserved Fruits.*—81,874 lbs. (81,642 lbs.), \$11,789 (\$11,695): United Kingdom, \$2,994; Canada, \$4,930 (\$4,451).

*Household Brooms and Brushes.*—3,795 doz. (2,853 doz.), \$7,699 (\$6,951): United Kingdom, \$2,630; Canada, \$4,598 (\$5,263).

### Imports of Lesser Value from Canada

Products	Total 1936	From Canada	
		1936	1935
Twine . . . . .	\$ 29,909	\$3,957	\$4,076
Lard and substitutes . . . . .	4,896	3,703	3,515
Toilet soap . . . . .	16,078	3,780	2,776
Electrical apparatus other than cables, heating apparatus and electro-medical . . . . .	117,245	3,711	4,246
Machinery, electrical . . . . .	66,314	1,558	7,928
Butter and its substitutes . . . . .	125,839	3,469	5,948
Calcium carbide . . . . .	3,389	3,389	3,003
Varnish and polish . . . . .	4,949	3,200	2,118
Cosmetics . . . . .	45,059	3,284	4,169
Biscuits, bread and cakes unsweetened, in tins . . . .	6,408	3,105	3,598
Machinery belting, boiler packing, etc. . . . .	32,615	3,036	4,212

Other products from Canada were as follows:—

Cotton underwear, \$2,875 (\$2,600); art silk underwear, \$2,659 (\$785); hardware sundries, \$2,445 (\$2,045); office equipment, \$2,114 (\$786); art silk manufactures except apparel, \$2,729 (\$196); cotton piece-goods, \$1,996 (\$2,671); hats and caps, \$2,039 (\$858); preserved vegetables, \$2,419 (\$1,412); greases and fats, \$2,004 (\$531); toys and games, \$1,797 (\$780); unmanufactured tobacco leaf, 25-38 per cent moisture content, \$1,423 (\$178); tobacco leaf less than 25 per cent moisture content, \$1,614 (\$2,243); rubber manufactures, other kinds, \$1,679 (\$1,480); oilcloth, \$1,542 (\$2,071); agricultural implements and tools, \$420 (\$1,343); implements and tools, other kinds, \$2,483 (\$1,351).

## ECONOMIC CONDITIONS IN SOUTHERN AUSTRALIA

FREDERICK PALMER, CANADIAN TRADE COMMISSIONER

Melbourne, October 28, 1937.—Business conditions generally throughout the Southern States of Australia have been maintained at a satisfactory level. The disturbed international position no doubt has had some adverse effect on business conditions, and delays in obtaining new plant from overseas are retarding some industrial enterprises. A number of large-scale manufacturing plants, however, are being constructed, including new works and extensions to factories controlled by well-known overseas corporations.

### VICTORIA

Business conditions in Victoria throughout the third quarter of the year were well maintained. The slight reflection of unsettled conditions overseas was shown in a tendency for buying support to fall off, although business turn-



over in Melbourne during September was for the most part maintained at the level of September, 1936.

The number of persons registered as unemployed in the metropolitan area declined from 11,100 in September, 1936, to 10,670 in September, 1937, a reduction of 4 per cent in twelve months. In September, 1935, the figure was 17,100. This decline reflects the continued progress made by Victoria towards recovery in the past two years.

#### INDUSTRIAL CONDITIONS

Almost all branches of the engineering industry are operating to capacity, and factory extensions are being erected or planned, some of them on a large scale. Provincial woollen mills report a volume of orders sufficient to keep them fully employed for some time to come. The construction and associated industries continue in active operation on all classes of buildings. Building permits for the three months ending August, 1937, amounted to £2,168,760 as compared with £2,057,170 for the similar period of 1936.

Bank clearings for September increased by 25 per cent compared with 1936, and there was an increase in the number of new motor vehicles registered from 1,560 to 1,710, or 9 per cent. The used-car market is particularly buoyant, with values tending to be higher.

Excise revenue for the three months ending September, 1937, totalled £1,084,580 as compared with £977,720 for the corresponding period of the previous year.

In the agricultural areas of Victoria there was abundant rain during October, and an excellent wheat harvest is now assured. The rains also have benefited considerably all pasture lands, and a satisfactory season for all agricultural products is anticipated.

#### SOUTH AUSTRALIA

Weather conditions during September were favourable in all sections of the State of South Australia, and summer feed and water for stock is now practically assured. Recent wool clips are reported to be very satisfactory. The percentage of winter lambing amounted to 73, approximately 2,450,000, or an increase of 450,000 on the 1936 estimate, when the percentage was only 59. The dairying districts are enjoying a good season, larger quantities of butter being available for export; cheese production is on the up-grade, with prospects for a record output. Given normal seasonal conditions during the coming months, the wheat harvest will be the best for some years past.

Motor registrations for the month of August were 1,911, an increase of 210 on the total for August last year. The building trade continues active and future prospects are bright. Permits to the value of £1,231,038 were granted in the Adelaide metropolitan area during the eight months ending August, 1937, as against a total of £780,285 in 1936.

The decision of the Federal Government to reduce duties on iron and steel plates is helpful to the motor body manufacturing industry. Some firms have been able to obtain ample supplies of steel from Australian manufacturers, but others have had difficulty in meeting their requirements.

#### WESTERN AUSTRALIA

Conditions generally in Western Australia are favourable. General rains have benefited primary production, and an average wheat harvest is in prospect. The outlook in dairying and fruit-growing districts is satisfactory.

Stock is in good condition, and good clips have been reported from shearing operations which have already begun.

Business reports indicate that the volume of trade is increasing, and a slight improvement is shown on the figures for the corresponding period of last year.

Permits for the erection of buildings and additions during August were valued at £269,349, an increase of £94,060 on the total for the previous month but £57,196 below the total for August, 1936.

#### TASMANIA

In the State of Tasmania good rainfalls have relieved the dry weather conditions which prevailed during the winter. Stock is in excellent condition, and lambing returns have been satisfactory. Late shipments of fruit overseas have realized good prices. The short game season of six weeks resulted in 1,068,684 skins being taken for furs. In 1934, when only opossums were taken, 1,500,000 skins were obtained.

Retail trade turnovers show a small increase on the figures for September, 1936, but business shows a normal seasonal recession.

The factory being erected at Burnie, Tasmania, for the Associated Pulp and Paper Mills Limited is nearing completion, but operations are not expected to begin before next March or April.

### TRADE COMMISSIONERS ON TOUR

Mr. James Cormack, Canadian Trade Commissioner in Dublin, Irish Free State (whose territory covers Northern Ireland also); Mr. B. C. Butler, Canadian Trade Commissioner in Singapore, Straits Settlements (whose territory covers the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India); and Mr. J. H. English, Canadian Trade Commissioner in London, England, are at present on tour in the interests of Canadian trade with their respective territories. Their itineraries are as follows:—

#### Mr. Cormack

Quebec City . . . . .	Dec. 13 and 14	Vancouver . . . . .	Jan. 6 to 14
Halifax . . . . .	Dec. 16 and 17	Kelowna . . . . .	Jan. 12
St. John . . . . .	Dec. 20 and 21	Winnipeg . . . . .	Jan. 17 and 18
Ottawa . . . . .	Dec. 23 and 24	Toronto . . . . .	Jan. 21 to Feb. 5

#### Mr. Butler

Toronto . . . . .	Dec. 13 to 18
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#### Mr. English

Montreal . . . . .	Dec. 13 to 23
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Firms who wish to be brought in touch with the Trade Commissioners should communicate, for Toronto and Vancouver, with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres with the respective Board of Trade or Chamber of Commerce.



## WHEAT AND FLOUR TRADE REGULATION IN EUROPEAN COUNTRIES<sup>1</sup>

### XIII. Netherlands

J. A. LANGLEY, CANADIAN TRADE COMMISSIONER

(One guilder or florin equals approximately Can.\$0.55 at the current rate of exchange.  
One metric ton equals 2,205 pounds; one kilo equals 2.2 pounds)

#### WHEAT

Rotterdam, October 30, 1937.—With no currency restrictions, a comparatively low milling percentage for the home-grown product and without a high import duty, the Netherlands is one of the few remaining important purchasers of foreign wheat. As a traditionally free trade country and ill adapted for the production of cereals, the Netherlands was one of the last nations of Europe to interfere in any way with the grain trade. Up to the middle of 1931 only foreign wheat, which was admitted without restriction, was used by Dutch mills grinding white flour for ordinary bread-making purposes. The domestic crop, which averaged about 5,750,000 bushels per annum, was used exclusively for feeding purposes and for the manufacture of whole wheat flour.

#### VOLUME OF IMPORTS

During the five-year period from 1929 to 1933, imports of wheat into the Netherlands averaged 26,477,200 bushels per annum. In 1934, when the effect of the enforced use of the domestic product was evident—to which reference will subsequently be made—the quantity entering the country dropped to 18,141,000 bushels. In 1935 it rose to 19,450,000 bushels, but in 1936 arrivals fell again to 17,232,000 bushels. The average of these three latter figures, or 18,274,000 bushels, may be regarded as the approximate present extent of the market for foreign wheat.

In 1935 imports from Canada totalled only 18.3 per cent of the total or roughly 3,561,000 bushels, Argentina ranking first with 60 per cent or 11,640,000 bushels. In 1936 the Dominion was the chief supplier, shipping 55.8 per cent of total imports or approximately 9,564,000 bushels, while arrivals from Argentina accounted for roughly 9.3 per cent or 1,694,000 bushels. During the first six months of 1937 Canada was again second to Argentina, their respective shares being about 24 and 52.9 per cent of total quantities received.

#### CHIEF SOURCES OF SUPPLY

The following table shows details of wheat arrivals from the chief supplying countries during the years 1933, 1934, 1935, 1936, as well as during the period January-June of the current year:—

	1933	1934	1935	1936	Jan.-June, 1937
	Figures in Metric Tons				
Total . . . . .	735,936	493,670	529,265	468,908	273,513
Germany . . . . .	82,091	16,952	9,808	39,405	683
Belgium . . . . .	9,519	15,782	12,388	4,612	4,547
Great Britain . . . . .	.....	1,947	45	5,454 <sup>1</sup>	69
France . . . . .	12,382	745	.....	.....	.....
Czechoslovakia . . . . .	.....	.....	.....	.....	2,111
Soviet Russia . . . . .	77,303	18,033	24,681	17,889	.....
Poland . . . . .	1,005	.....	.....	.....	943
Sweden . . . . .	.....	3,410	22,321	4,028	.....

<sup>1</sup> Including 4,095 tons of Russian origin.

<sup>1</sup> Earlier reports in this series were published in the *Commercial Intelligence Journal* as follows: United Kingdom, No. 1748; Belgium, No. 1751; Germany, No. 1752; Norway, No. 1753; France, No. 1754; Finland, No. 1755; Irish Free State, No. 1756; Italy and Portugal, No. 1757; Denmark, No. 1759; Sweden, No. 1760; and Switzerland, No. 1765.

*Imports of Wheat into the Netherlands by Countries—Concluded*

	1933	1934	1935	1936	Jan.-June, 1937
		Figures in	Metric Tons		
Bulgaria . . . . .	203	395	223	.....	.....
Hungary . . . . .	.....	1,305	.....	.....	.....
Italy . . . . .	250	.....	.....	.....	.....
Roumania . . . . .	38,131	67,257	150	26,053	20,460
Yugoslavia . . . . .	.....	400	749	2,716	.....
French Morocco . . . . .	.....	1,483	.....	.....	.....
Canada . . . . .	231,643	88,330	96,905	260,253	65,644
Argentina . . . . .	209,989	241,549	316,748	46,094	144,681
Uruguay . . . . .	.....	855	9,560	.....	4,994
United States . . . . .	44,129	34,968	34,455	48,907	21,004
Australia . . . . .	27,044	.....	.....	8,282	7,614

## WHEAT MIXING LAW

The initial legislation affecting the wheat trade was the Wheat Act of 1931, which became effective on July 4, 1931. It was originally intended to be of a temporary nature and was to expire on August 1, 1934. Its operation was, however, extended by a subsequent decree. This legislation provided that flour used for ordinary bread-making purposes should contain a minimum of 20 and a maximum of 30 per cent of domestic wheat. By an amendment to this Act, the maximum was subsequently raised to 40 per cent.

Particulars as to the percentages of domestic wheat which have had to be used since the inception of the Act have been as follows:—

	Per Cent
July 4, 1931, to September 7, 1931 . . . . .	20
September 7, 1931, to August 8, 1932 . . . . .	22½
August 8, 1932, to February 13, 1933 . . . . .	25
February 13, 1933, to present . . . . .	35

It is still possible to add another 5 per cent to make a total of 40 per cent before the legal maximum is reached.

For the purpose of marketing domestic wheat a Central Wheat Organization was created, which was superimposed on eight local district organizations, which were set up concurrently and of which the wheat producers were to be members. The Central Wheat Organization is the only seller of domestic wheat under the Wheat Act. As an adjunct to the Central Wheat Organization, a second or buying body was also formed—the Association of Inland Wheat Consumers—to purchase wheat on behalf of the millers.

At the beginning, the Central Wheat Organization paid the farmer fl. 12.50 per 100 kilos (approximately \$6.87 per 3.67 bushels) for his wheat. This sum was subsequently lowered to fl. 12 (approximately \$6.60) and in 1934 to fl. 11 (approximately \$6.05). In 1935 it was again decreased to fl. 10 (approximately \$5.50), while fl. 9 (approximately \$4.95) was paid for the 1936 harvest. The amount to be paid for the 1937 crop has not yet been fixed.

The flour milling industry, through the consumers' association, purchases this wheat for fl. 14.70 per 100 kilos (approximately \$8.08 per 3.67 bushels). The high price is passed on to the consumer of bread, and on this basis it is estimated that the mixing law costs the people of the Netherlands fl. 39,590,000 per year (approximately \$21,774,500).

## AGRICULTURAL CRISIS LAW

The Wheat Act, as outlined in the preceding paragraphs, continued in force until superseded by an Act of May 5, 1933, known as the Agricultural Crisis Law. This new statute unified and embodied all existing legislation including the Wheat Act. It was possible, therefore, to repeal the latter, and this was done by an enactment of July 27, 1934. This succeeding law in addition to carrying on



the mixing regulations of its predecessor vested in the Government arbitrary power to take whatever steps were deemed necessary to assist and regulate the trade in a number of agricultural products, including wheat. These commodities were termed "crisis products."

#### CONTROL OF IMPORTS

By virtue of the Agricultural Crisis Law, a second measure of restraint was placed on the wheat trade from August 14, 1933, when the Government adopted through the medium of the Central Wheat Organization what was designated as a monopoly of imports. At the same time an import levy was imposed, known as a monopoly tax.

From the date mentioned, the unrestricted importation of wheat, which had hitherto prevailed, was abolished. While the monopoly did not take the place of private trading, it confined this trade to established firms and individuals and made it necessary that they secure import permits from the Central Agricultural Office at The Hague, which had the right to grant or refuse these permits for any exporting countries. It was further specified that there would be a tax for the permits of fl. 1 per 100 kilos (approximately \$0.55 per 3.67 bushels) of wheat. On November 18, 1933, this tax, which is applicable to imports from all countries, was increased to fl. 1.50 per 100 kilos (approximately \$0.82½), and on September 4, 1935 to fl. 2 (approximately \$1.10).

Subsequently, however, wheat prices on world markets advanced, as a result of which it became necessary to increase the price of bread. The Government then decided to lower the monopoly taxes (which in effect are the equivalent of import duties) on certain cereals and cereal products. The levy on wheat was reduced to fl. 1 per 100 kilos (approximately \$0.55 per 3.67 bushels), effective April 26, 1937.

The monopoly control enables the Netherlands, if it is so desired, to divert wheat imports to countries with which bilateral treaty arrangements are in effect. It can also be used to assist trade balances, as has been done with certain European countries whose wheat is accepted only against the importation by them of certain quantities of Netherlands or Netherlands colonial merchandise.

By virtue of the agreement between the Netherlands and the United States, which became effective on February 1, 1936, the Netherlands Government pledged itself to purchase annually a quantity of milling wheat originating in the United States, equivalent to not less than 5 per cent of the annual total consumption of foreign milling wheat. It was stipulated in this connection, however, that the price of this wheat must be competitive with the world price for milling wheat of comparable grade and quality.

#### DOMESTIC PRODUCTION

Concurrently with the high price received by growers for their wheat and the widening milling quota, domestic production began to expand. Compared with 1930 the harvest had more than doubled in 1932. In view of this heavy increment, which it was feared for a time might continue too rapidly, farmers were notified that from the beginning of 1933 the crop area sown to wheat should not exceed one-third of the total area cultivated by each individual farmer in 1932. This total was meant to include field crops of every description. In practice, however, this legislation was not effective, and the increase in acreage continued on into 1935 owing to the substitution of wheat, which because of the fixed price could be produced at a profit, for other less remunerative cereals.

On November 24, 1936, the Netherlands Government completely abolished the nominal restriction on wheat acreage.

The area sown to wheat during the past nine years, together with the total production for the past eight years, has been as follows:—

Year	Acres	Bushels
1929 .....	112,270	5,756,520
1930 .....	137,183	6,376,860
1931 .....	192,194	7,091,280
1932 .....	296,695	13,472,000
1933 .....	337,838	15,255,000
1934 .....	358,661	17,600,000
1935 .....	390,222	16,407,429
1936 .....	369,141	14,348,008
1937 .....	319,730	.....

It will be noted that only in 1936 and 1937 have there been decreases in the total acreage. Probably the principal factor contributing to this situation was that the price guaranteed to producers has been greatly reduced—from \$1.87 per bushel, at which level it stood in 1931, to \$1.35 per bushel in 1936.

#### IMPORT DUTY

Unless packed in containers weighing 2·64 pounds or less, wheat enters the Netherlands free of import duty. The monopoly tax referred to above, however, which is equal to approximately \$0.15 per bushel, is actually the equivalent of a corresponding import duty.

#### FLOUR

As a basis to an understanding of the restrictions affecting the Netherlands flour trade, a knowledge of the wheat situation—as summarized in the preceding paragraphs—is essential. The legislation regulating the use of wheat also covers the trade in flour. The relationship between the two commodities is so intimate that flour legislation must to a large extent coincide with wheat legislation. As a manufactured product, however, the former receives a higher degree of protection than the raw material, wheat.

Prior to July 4, 1931, there were no import restrictions or duties on flour when imported into the Netherlands. Owing to the social legislation which prohibited night labour in the bakeries and made a quick-working flour necessary, the most favoured varieties were those milled from the softer wheats grown in Kansas and Oklahoma. A fair trade was done in the Canadian product, however.

#### PROVISIONS OF THE WHEAT MIXING LAW

The Wheat Mixing Law, which came into force on July 4, 1931, prescribed that bakers must use flour containing a specified percentage of home-grown wheat. Millers could readily adjust their grists accordingly, but the mixing of flour after its manufacture is impracticable. It was therefore apparent that the domestic milling industry would have a monopoly of the inland market and that the import trade would cease entirely.

In order to prevent this and as a concession to flour importers, the relevant legislation was therefore framed to allow the continued use under certain conditions of small and limited quantities of unmixed flour. The product was by the law divided into two categories, which were designated "wheat flour A" and "wheat flour B." The former is the flour which must contain the proportion of domestic wheat as laid down in the Act. The latter may be milled from 100 per cent of foreign wheat.

It was laid down that "wheat flour B" may only be transported and sold for the account of an organization appointed by the Government to control the trade in it. This body is known as the Central Flour Office.



It was further stated that "wheat flour B" could only be stocked on condition that it be either handled according to instructions and for the account of the Central Flour Office or that it be worked:—

- (a) to products destined for export to foreign countries;
- (b) to products designated by the Ministry under whose jurisdiction the Act comes;
- (c) in bakeries working "wheat flour A."

As regards the products referred to under (b) the following are defined: rusks, biscuits, wafers, self-raising flour, vermicelli, macaroni and starch. Concerning (c) each bread baker was allowed to use "wheat flour B" to the extent of one-nineteenth of his consumption of "wheat flour A," which is 5 per cent of his total consumption of A and B. For pastry bakers the proportion allowed was 40 per cent.

#### TAX ON FLOUR

Concurrently with the enactment of the Mixing Law, the Central Flour Office imposed a levy of fl. 2 per 100 kilos (\$1.10 per 220 pounds) on all "flour B" which was sold. Subsequently this tax has been increased and lowered, and at the present time it amounts to fl. 4 per 100 kilos (\$2.20 per 220 pounds).

#### PRESENT SITUATION

Under the original legislation, bread makers and pastry bakers were permitted to employ respectively 5 and 40 per cent of "wheat flour B" individually and not collectively. The total of unmixed flour used for the manufacture of bread was, therefore, considerably less than 5 per cent of the total consumption.

In order to facilitate the making use of the entire allotment, by virtue of a decree of March, 1935, it was made lawful for bakers to utilize up to 25 per cent of imported "wheat flour B," provided they could secure the 20 per cent over and above the 5 per cent to which they were entitled from other bakers who used no unmixed flour. Similarly the privilege was extended to pastry bakers by increasing their permissible maximum to 80 per cent. In other words, the baking industry as a whole may now, up to the limits set, use "wheat flour B" on a semi-collective basis instead of individually as before. In this connection an office has been established in Amsterdam to regulate distribution.

Reference has already been made to the Netherlands-United States commercial agreement in as far as it deals with wheat. The same accord contains a clause which binds this country to purchase annually from mills in the United States a quantity of wheat flour equivalent to not less than 5 per cent of the total yearly wheat flour consumption of the Netherlands. This 5 per cent is estimated at about 30,000 metric tons. It is also provided that this American flour must be competitive both as regards price and quality. As a result of this agreement, imports from other countries are being adversely affected.

#### FLOUR IMPORTS

Before the introduction of restrictions, the Netherlands was one of the leading flour markets of Europe, with annual imports averaging in excess of 150,000 metric tons. In 1935 they amounted to 41,519 metric tons, while during 1936 and the first half of 1937, totals of 62,641 and 31,767 metric tons respectively were brought into the country.

Whereas in 1935 Canada supplied 9.37 per cent of total imports, this figure decreased to approximately 6½ per cent in 1936. During the first six months of the current year Canada's share was less than 2 per cent.

Details of Netherlands flour imports from chief supplying countries from 1933 to 1936 and the first six months of 1937 were as follows:—

	1933	1934	1935	1936	Jan.-June, 1937
		Figures in Metric Tons			
Total . . . . .	44,951	38,906	41,519	62,641	31,767
Germany . . . . .	5,056	5,453	668	.....	.....
Belgium . . . . .	429	227	511	409	837
Great Britain . . . . .	1,235	1,415	2,264	4,535	2,228
France . . . . .	14,739	16,535	16,528	10,273	4,648
Poland . . . . .	.....	.....	688	8,126	1,830
Italy . . . . .	4,396	3,451	2,199	.....	.....
Hungary . . . . .	35	50	3,061	6,247	.....
Switzerland . . . . .	586	1,462	1,753	.....	.....
Canada . . . . .	5,024	2,903	3,890	4,060	590
Argentina . . . . .	.....	.....	.....	.....	1,026
United States . . . . .	11,475	7,203	8,964	25,507	17,000
Australia . . . . .	1,961	180	992	2,879	2,786

#### IMPORT DUTY

Under the Netherlands tariff, flour is free unless packed in containers weighing 2·64 pounds or less. There is, however, the monopoly tax of fl. 4 per 100 kilos, to which reference has been made and which is the equivalent of a duty of \$1 per 100 pounds.

#### CURRENCY RESTRICTIONS

There is no transfer moratorium in the Netherlands as far as imports from Canada are concerned. Payment is made under normal conditions.

#### NETHERLANDS MILLING INDUSTRY

The most recent official report on the Netherlands milling industry is for 1936. At the close of that year there were twenty commercial flour mills in the country, which during the preceding twelve months ground 796,395 metric tons of wheat. In anticipation of the benefits to be secured from the Mixing Law, many Netherlands mills enlarged their plants in 1931 and 1932. As a result, there was over-expansion and the industry is in a position to render the Netherlands independent of imported flour.

### FOREIGN TRADE OF THE NEAR AND MIDDLE EAST

HENRI TURCOT, CANADIAN TRADE COMMISSIONER

#### Egypt

[One Egyptian pound (£E) equals approximately \$5 Canadian]

Cairo, November 15, 1937.—Figures issued recently by the Egyptian Customs Administration show that for the six months ended June 30, 1937, imports into this country amounted to £E17,647,881 as compared with £E15,106,820 in the corresponding period of 1936, an advance of £E2,541,061, while exports of Egyptian produce totalled £E22,994,822 against £E15,000,591, an increase of £E7,994,231. The unfavourable trade balance of £E106,229 in the first six months of 1936 was changed to a favourable one of £E5,346,941 in the six months ended June 30, 1937.

The striking rise in exports was primarily due to larger sales of cotton, which increased from £E11,047,648 to £E16,441,875; it also reflected the upward trend in the price of this commodity. The higher imports were due mainly to a greater purchasing power, the result of larger revenue derived from cotton. However, the recent slump in cotton prices may adversely affect the situation during the second half of the year, with a consequent reduction in the favourable balance of trade.



### Anglo-Egyptian Sudan

The value of the Anglo-Egyptian Sudan's foreign trade during the six months ended June 30, 1937 and 1936 respectively, is shown in the following table:—

	January-June,		Inc. or Dec.
	1937 £E	1936 £E	
Government imports . . . . .	656,744	847,987	— 191,243
Public imports . . . . .	2,239,681	1,944,027	+ 295,654
Total imports . . . . .	2,896,425	2,792,014	+ 104,411
Exports . . . . .	5,014,121	3,009,508	+ 2,004,613
Re-exports . . . . .	359,545	268,507	+ 91,038
Transit . . . . .	69,531	47,390	+ 22,141
Total . . . . .	8,339,622	6,117,419	+ 2,222,203

The principal sources of supply were Great Britain (23·7 per cent of total imports), Egypt (22·8 per cent), Japan (19·3 per cent), British India (6·3 per cent), Australia (2·9 per cent), and the United States (2·1 per cent). Great Britain was the chief purchaser of Sudanese produce with 48·1 per cent, followed by British India with 17 per cent and Egypt with 7·9 per cent.

The Anglo-Egyptian Sudan is still, and is likely long to remain, dependent on cotton. The rise in cotton prices, coinciding with good crops, has meant much for its trade last year and during the first six months of 1937. It is likely, however, that the recent decline in cotton values will have a serious effect on exports during the current six months.

### Palestine

[One Palestine pound (£P) equals approximately \$5 Canadian]

According to the August issue of the statistics of Palestine, imports of merchandise into that country totalled £P8,139,004 in the first six months of this year. This figure is considerably higher than the corresponding one for 1936 (£P6,732,742) but below the corresponding figure for 1935 (£P8,608,327). The increase over 1936 was £P1,406,262 or 20·9 per cent, and the recession from 1935 £P469,323 or 5·5 per cent. The bulk of the advance was in foodstuffs. Germany was in first place as a source of supply, followed by Great Britain.

Exports of Palestine produce in the first half-year of 1937 were valued at £P3,754,859, exceeding the corresponding total for 1936 (£P2,263,626) and that for 1935 (£P3,222,373) by £P1,491,233, or 65·9 per cent, and £P532,486, or 16·5 per cent, respectively. The increased export is ascribed principally to an expansion in the citrus fruit trade; increases were also recorded under several items of industrial exports. Great Britain was the most important purchaser of Palestinian produce with 58·7 per cent, followed by Holland with 5·2 per cent, and Poland in third place with Germany with 2·6 per cent.

Re-exports of merchandise were valued at £P406,278 in the 1937 period as against £P132,555 in the corresponding 1936 period, an increase of £P273,723. Re-exports from bond (not previously recorded as imported) amounted to £P52,171 in the first six months of 1937 as compared with £P34,926 in the six months ended June 30, 1936, an advance of £P17,245. The value of transit trade, exclusive of Iraq Petroleum Company's crude oil, totalled £P396,393 against £P252,218, an increase of £P144,175 over the 1936 period; crude oil in transit from Iraq via Haifa was valued at £P757,900 as compared with £P800,033.

Figures relating to Palestine's imports, exports, re-exports, transit trade (exclusive of crude oil), and crude oil in transit for the first six months of 1937 and 1936 are summarized in the following table:—

	Jan.-June, 1937 £P	Jan.-June, 1936 £P	Inc. or Dec. £P
Imports . . . . .	8,139,004	6,732,742	+1,406,262
Exports . . . . .	3,754,859	2,263,626	+1,491,233
Re-exports . . . . .	458,449	167,481	+ 290,968
Transit trade (exclusive of crude oil) . . . . .	396,393	252,218	+ 144,175
Crude oil in transit . . . . .	757,900	800,033	— 42,133
Total . . . . .	13,506,605	10,216,100	+3,290,505

### Levant States under French Mandate

[One Syrian pound (£LS) equals approximately \$0.67 Canadian]

According to official figures there was a noteworthy improvement in the external trade of the Levant States under French Mandate (Syria, the Lebanon, Lattakia, the Jebel Druse, and the Saniak of Alexandretta) in the first six months of 1937 as compared with the corresponding period of 1936, as shown in the following table:—

	January-June, 1937 £LS	January-June, 1936 £LS	Increase £LS
Imports . . . . .	22,168,901	12,770,677	9,398,224
Exports . . . . .	10,339,041	5,092,158	5,246,883
Re-exports . . . . .	316,901	187,925	128,976
Transit trade . . . . .	6,372,251	4,262,855	2,109,396
Total . . . . .	39,197,094	22,313,615	16,883,479

There was a revival in business activity during the summer, due on the one hand to the excellent tourist season (the best in twelve years) and on the other to a renewed feverish activity in exports.

### Iraq

[One dinar equals approximately \$5 Canadian]

The deficit in the balance of trade was reduced, and both imports into and exports from Iraq showed important gains in the six months ended June 30, 1937, as compared to the corresponding period of 1936, as indicated in the following table:—

	January-June, 1937 Dinars	January-June, 1936 Dinars	Increase Dinars
Imports . . . . .	4,329,476	3,516,630	812,846
Exports <sup>1</sup> . . . . .	2,652,157	998,247	1,653,910
Balance of trade . . . . .	—1,677,319	—2,518,383	841,064

<sup>1</sup> Exclusive of oil shipped via the pipe-line to the Mediterranean sea-board.

### Iran (Persia)

[80 rials equal £1 sterling]

According to statistics for the year 1935-36 the total trade between Iran and foreign countries from June 22, 1935, to June 21, 1936, amounted to 2,985,421,983 rials, made up of 1,029,430,292 rials for imports and 1,955,991,691 rials for exports, of which 1,296,298,979 rials represent the value of the oil exported by the Anglo-Iranian Oil Company.



The principal goods imported were, in order of importance, cotton, metals, machinery and tools, motor cars, sugar, tea, pneumatic tires and motor car accessories, woollen goods, haberdashery, clothing, paper, and articles of paper, groceries, paints, drugs, glassware, and silk goods.

As regards exports, the chief commodities included mineral oil (exported by the Anglo-Iranian Oil Company), carpets, raw cotton, wool, almonds, rice, raisins, dates, hides and skins, opium, livestock.

Russia was the main source of supply for imports, followed by Germany, Great Britain, the United States, Japan, British India, France, Belgium, Czechoslovakia, Sweden, and Italy. Russia was also the largest purchaser of Iranian goods, followed by Great Britain, Germany, the United States, British India, Iraq, France, Sweden, Turkey, British Malaya, China, and Japan.

### Greece

[108 drachmae equal approximately \$1]

Greece's foreign trade totals for the first half-year of 1937 and 1936 are as follows:—

	January-June, 1937      1936		Increase
	In 1,000 Drachmae		
Imports . . . . .	7,178,294	5,709,858	1,468,436
Exports . . . . .	4,005,683	2,604,867	1,400,816
Trade balance . . . . .	—3,172,611	—3,104,991	67,620

There were increases in imports and exports, while the unfavourable balance of trade was slightly larger.

### Turkey

[One Turkish pound (£tq.) equals \$0.80 Canadian]

The following table compares the foreign trade of Turkey for the first five months of 1937 with that of the corresponding period of 1936:—

	January-May 1937      1936	
	£tq.	
Exports . . . . .	50,145,000	36,014,000
Imports . . . . .	38,019,000	35,724,000
Balance in favour of Turkey . . . . .	12,126,000	290,000

It will be observed that the large increase in the commercial balance is due entirely to the development of exports, imports being somewhat higher.

### Roumania

[One leu equals approximately \$0.0074 Canadian]

Provisional figures of Roumania's external trade in the first six months of 1937 and 1936 are given in the following table:—

	January-June, 1937	1936	Increase
		In Million Lei	
Exports . . . . .	14,108	7,170	6,938
Imports . . . . .	7,558	5,232	2,326
Surplus . . . . .	6,550	1,938	4,612

The advance in 1937 exports is chiefly the result of the sale of cereals, which has reached a high level as a consequence of the good harvest of 1936.

**Bulgaria**

[One leva equals approximately \$0.0129 Canadian]

Exports from and imports into Bulgaria for the first six months of 1937 and 1936 were as follows:—

	January-June, 1937	January-June, 1936 In 1,000 Leva	Increase
Imports . . . . .	2,254,827	1,560,553	694,274
Exports . . . . .	2,387,635	1,478,904	908,731
Trade balance . . . . .	+ 132,808	— 81,649	214,457

The increase in the foreign trade of Bulgaria consisted of an advance of 62 per cent in exports and 44 per cent in imports.

**CANADA'S TRADE WITH THE ABOVE COUNTRIES**

According to figures of the Dominion Bureau of Statistics, Canada's imports from and exports to the above-mentioned countries during the first six months of 1937 and 1936 were as follows:—

	January-June, 1937		January-June, 1936	
	Imports	Exports	Imports	Exports
Bulgaria . . . . .	\$ 86	\$ 2,990	\$ 1,994	\$ 811
Egypt . . . . .	511,063	196,223	309,009	205,473
Greece . . . . .	38,012	3,795	34,863	1,745,489
Iran . . . . .	82,873	72,452	70,727	62,217
Iraq . . . . .	61,311	9,660	84,985	14,197
Palestine . . . . .	14,352	151,558	42,582	205,904
Roumania . . . . .	36,744	17,362	76,620	14,732
Sudan . . . . .	13,452	5,158	11,816	7,904
Syria . . . . .	1,099	60,986	929	46,428
Turkey . . . . .	49,175	9,626	48,382	9,328
Total . . . . .	\$808,167	\$529,810	\$681,907	\$2,312,483

It is apparent from the above that the balance of trade was favourable to the Dominion only in the case of Bulgaria, Palestine, and Syria in the first six months of 1937, and in that of Greece, Palestine, and Syria during the corresponding period of 1936. However, the foregoing figures do not take into account indirect shipments to the countries referred to, which in some instances are quite considerable.

Canada's exports to Bulgaria, Iran, Roumania, Syria, and Turkey showed slight increases, while exports from the Dominion to Egypt, Greece, Iraq, Palestine, and the Anglo-Egyptian Sudan disclosed decreases; total imports from these countries were higher and total exports to them were lower.

**TRADE OF THE PHILIPPINES IN 1936**

V. E. DUCLOS, CANADIAN TRADE COMMISSIONER

(The Philippine peso at par is equal to 50 cents U.S. currency)

Hongkong, October 28, 1937.—The total foreign trade of the Philippines during 1936 amounted to P497,602,664 as against P359,539,059 in 1935, an increase of P138,063,605 or 38 per cent.

During 1936 total imports were valued at P202,252,349 as against P171,047,699; exports amounted to P295,350,315 as against P188,491,360.

It will be observed that the substantial increase recorded in total trade has arisen from an expansion of both imports and exports. The increase in imports is attributable principally to improved demand for iron and steel, automobiles and accessories, wheat flour, and electrical machinery and apparatus. A feature of the import trade was an unprecedented increase in the imports of rice from the French East Indies, amounting to P4,173,755 as against P530,812 in 1935. The substantial increase in exports of 56 per cent over the figures for 1935 was due mainly to large increases in exports of sugar, abaca,



copra, gold bullion, and lumber. Slight increases were also recorded in exports of coconut oil, desiccated coconut, and copra meal or cake.

### BALANCE OF TRADE

The balance of trade was favourable to the extent of P93,097,966, which is considerably above that of 1935 (P17,443,661) and is solely the result of the very favourable balance of trade with the United States, which once again offset the unfavourable balance in trade with the rest of the world.

Imports from the United States were valued at P122,994,525 as against P108,733,000 for the previous year; exports to that country were recorded at P237,504,683 as against P149,871,073.

### DISTRIBUTION OF TRADE

The important position of the United States in the trade of the Philippine Islands is indicated by the fact that this country is credited with 60·81 per cent of total imports during 1936 as against 63·6 per cent during 1935 and absorbed 80·41 per cent of exports from the Philippines as against 79·51 per cent in the previous year.

Japan is the second most important participant in the trade, being credited with 8·7 per cent of the total as against 9·75 per cent in 1935, comprising 13·12 per cent of imports as against 14·3 per cent in 1935 and 5·68 per cent of exports as against 5·69 per cent. Next in importance during the period under review are Great Britain with 2·69 per cent of the total (2·50 per cent of imports and 2·82 per cent of exports); Germany, 2·16 per cent (3·43 per cent of imports and 1·28 per cent of exports); Netherlands, 1·84 per cent (2·23 per cent of imports and 1·56 per cent of exports); and China, 1·48 per cent (2·65 per cent of imports and 0·67 per cent of exports).

The ten principal commodities imported into the Philippine Islands during 1936 were as follows, with percentages of total import values and increases or decreases as compared with 1935 figures:—

#### *Ten Principal Imports into the Philippine Islands in 1936*

	1,000 Pesos	Per Cent of Total Imports	Per Cent Inc. or Dec.
Iron and steel manufactures. . . . .	32,031,608	16	+ 44
Cotton goods . . . . .	30,535,257	15	— ½
Mineral oils. . . . .	14,656,838	7	— 4
Automobiles, parts, and tires. . . . .	11,408,137	6	+ 24
Meat and dairy products . . . . .	11,024,354	5	+ 18
Wheat flour . . . . .	7,900,519	4	+ 38
Tobacco products . . . . .	7,130,860	4	— 5
Papers and manufactures thereof . . . .	6,442,647	3	— 3
Rice . . . . .	5,874,635	4	+956
Electric machinery, apparatus and appli- ances . . . . .	5,830,861	3	+ 35

It will be observed from the above table that increases were recorded in six out of the ten principal import classifications.

The ten principal exports of the Philippine Islands during 1936 are given in the following table:—

	1,000 Pesos	Per Cent of Total Exports	Per Cent Inc. or Dec.
Sugar . . . . .	123,874,644	42	+ 88
Abaca . . . . .	34,177,197	12	+ 49
Copra . . . . .	29,999,568	10	+ 37
Coconut oil . . . . .	27,743,518	9	+ 13
Gold bullion . . . . .	20,493,158	7	+ 37
Tobacco products . . . . .	10,489,586	4	— 13
Desiccated coconut . . . . .	8,794,125	3	+ 11
Embroideries, cotton and silk . . . . .	8,549,110	3	— 16
Lumber . . . . .	6,199,222	2	+ 23
Copra, meal or cake . . . . .	3,659,079	1	+ 12

## TRADE WITH CANADA

Although one of the smaller participants in the trade of the Philippine Islands, Canada's share for 1936 was P3,689,556, of which P2,402,771 represented imports from the Dominion and P1,286,785 exports thereto. Comparative figures for 1935 were P1,781,450 for imports and P534,107 for exports.

Following are the values and percentages of Canada's participation in the import trade of the Philippine Islands since the year 1930:—

	Pesos	Per Cent
1930 . . . . .	360,607	0.15
1931 . . . . .	440,068	0.22
1932 . . . . .	651,922	0.41
1933 . . . . .	657,954	0.49
1934 . . . . .	1,269,921	0.74
1935 . . . . .	1,781,454	1.04
1936 . . . . .	2,402,771	1.19

The principal imports into the Philippine Islands of Canadian origin during the year 1936, with figures for 1935 within parentheses, were: flour, 1,626,864 pesos (1,105,445 pesos); cyanide, 354,829 pesos (297,143 pesos); printing paper, 139,338 pesos (76,769 pesos); canned salmon, 52,051 pesos (12,022 pesos); fertilizers, 33,422 pesos (38,653 pesos); oats, 12,576 pesos (9,597 pesos); wrapping paper, 7,368 pesos (4,359 pesos).

Principal exports of Philippine Islands products to Canada during 1936 were: abaca, 603,349 pesos (485,557 pesos); cordage, 12,188 pesos (9,502 pesos); copra, 35,300 pesos (8,736 pesos); coconut oil, 552,213 pesos (10,808 pesos); and lumber, 9,189 pesos (nil).

## EXCHANGE CONTROL IN COLOMBIA

W. J. RIDDIFORD, CANADIAN TRADE COMMISSIONER

Panama City, December 1, 1937.—The recent set-back to coffee prices, the uncertainty as to the future of the coffee market, and the development of an unfavourable balance of foreign payments during recent months resulted on November 6, 1937, in the suspension by the Exchange Control Board of Colombia of the issue of import licences. The situation remained obscure until November 17 when Presidential Decree No. 1985 of 1937 was promulgated and Resolution of the Exchange Control Board No. 66 was published. Subsequently, the Exchange Control Board published a notification in the press under date November 23. In the meantime the peso has declined somewhat and is currently quoted in the neighbourhood of pesos 1.85 equals U.S.\$1.

## PROVISIONS OF THE NEW DECREE

Presidential Decree No. 1985 authorizes the Banco de la Republica to satisfy the foreign exchange requirements of the Government at current rates in a total sum not to exceed the revenues derived from taxation on gold production and the proceeds of drafts drawn covering exports of national products. The decree also authorizes the Banco de la Republica to purchase gold by means of United States dollar warrants, which may be used by the public to cover applications to import foreign merchandise approved by the Exchange Control Board. The decree also empowers the Banco de la Republica to intervene in the foreign exchange market when such action seems advisable from the point of view of national interests and government obligations. At the same time, the Exchange Control Board is authorized to issue new regulations regarding the granting of exchange permits on the understanding that supply and demand on the foreign exchange market should be balanced. Other rather wide powers are also granted to the Exchange Control Board by Decree No. 1985, presumably with a view to making possible an early resumption of foreign trade which had



practically stopped following the suspension of issue of import licences on November 6.

#### ISSUE OF LICENCES RESUMED

Simultaneously with the promulgation of Presidential Decree No. 1985, the Office of the Control of Exchange and Exports published Resolution No. 66 which, among other things, provided for the resumption of the issue of licences to purchase foreign exchange. The amount of foreign exchange to be made available weekly for sale to the public shall not exceed the deposits of foreign currency received by the Banco de la Republica during the previous week. It would appear, therefore, that permits to purchase foreign exchange will be limited weekly to a sum not exceeding the total value of drafts drawn in foreign currency covering exports of national produce plus the total value of gold purchased weekly by the Banco de la Republica.

Resolution of the Office of Control of Exchange and Exports No. 63, dated November 3, required that all applications for the importation of foreign merchandise approved by the Office of Control prior to November 3, 1937, must be revalidated. Resolution No. 66 now provides that approved applications presented for revalidation, as well as those to be presented in the future, will be considered in accordance with an order of priority to be determined by the Consulting Board.

Permits for the purchase of International exchange authorized weekly by the Exchange Control Board shall be retained in the board's offices to the order of the interested parties until such time as they are in possession of sufficient foreign currency to cover each transaction. Licences which are not used within 30 days of the date of issue shall be held over and included in a later issue.

#### DEPOSIT REQUIRED

Presumably for the purpose of discouraging speculation in licences to purchase foreign exchange, it is now required that each applicant for such a licence must make a prior deposit in cash in the Banco de la Republica to the order of the Exchange Control Board in an amount equivalent to 5 per cent in local currency of the total value of each import licence. This deposit may be used only as part payment of the draft or drafts received in connection with the import transaction specified. In case payment for imports has been effected in advance, this deposit will be refunded.

With a view to facilitating the acquisition by the Banco de la Republica of gold, those persons or entities engaged in the extraction of gold in the republic are obliged to deliver it promptly to the mint or the Banco de la Republica.

The situation has been clarified considerably by the above-mentioned decree and resolution, but there remains the uncertainty about coffee and whether or not the peso will depreciate further. It appears likely that import trade will decline, but imports from Canada should not suffer since the balance of trade is greatly in favour of Colombia.

### TARIFF CHANGES AND CUSTOMS REGULATIONS

#### Australia

##### IMPORT RESTRICTIONS CANCELLED

Colonel L. M. Cosgrave, Canadian Trade Commissioner in Sydney, cables that the Australian Government has officially announced its intention to cancel the restrictions on imports that were imposed on and from May 23, 1936. Permits for the importation of products non-competitive with Australian industries are made issuable from December 8, 1937. A system of adequate duties will

replace all prohibitions early in the new year. The import quota for motor car chassis is retained unchanged.

(Effective May 23, 1936, Australia prohibited the importation of goods named in a schedule of eighty-four headings from any country outside the British Empire except with the permission in writing, previously obtained in each case, of the Minister of Trade and Commerce. In the case of motor vehicle chassis the regulation applied to all British and foreign countries except the United Kingdom. Permits for the entry of scheduled goods have been issued as the circumstances of Australian trade rendered desirable. The importation of motor vehicle chassis is limited for the year ending April 30, 1938, to the same quantity as was imported during the twelve months ended April 30, 1936.)

#### TARIFF DECISIONS

Recent Australian customs decisions as to the classification of and rates of duty on articles regarding which question had been raised include the following:—

Electric horns operated from dry cells, for use on push bicycles, 1s. 6d. each under British preferential tariff, 2s. each plus 32½ per cent ad valorem under general tariff, rates to increase as Australian exchange depreciation may be lessened (Item 352C1b).

Pin-hole grinders using abrasive strips as the grinding medium, for honing and polishing the interior surfaces of pistons, piston rods, etc., 45 per cent ad valorem under the British preferential tariff (rate adjusted to compensate for Australian exchange depreciation) and 65 per cent ad valorem under the general tariff (Item 176F1).

Clock in metal case with small electric lamp and switch all mounted on a common base, the lamp being used to illuminate the face of the clock will remain alight only so long as pressure is maintained on the push button switch, free of duty under British preferential tariff, 20 per cent ad valorem if from scheduled "most favoured" countries, 30 per cent ad valorem if from other non-British countries (Item 318A3). Attention is directed to the ruling that "table electric lamps having a clock incorporated in the base thereof" are dutiable at 35 per cent ad valorem under the British preferential tariff (rate adjusted to compensate for Australian exchange depreciation) and 55 per cent ad valorem under the general tariff (Item 180J).

Dental cleanser being a compounded detergent suitable for cleaning artificial teeth by immersion process only, 15 per cent ad valorem under British preferential tariff, 35 per cent ad valorem if from scheduled "most favoured" countries, and 50 per cent ad valorem from other non-British countries, all rates to increase as present Australian exchange depreciation may be lessened (Item 94B).

"Ribbon" is defined for tariff classification purposes as having a maximum width of 12 inches.

Canadian goods under the above items, having the required content of Canadian and/or Australian material and labour, and shipped in accordance with Australian regulations, are entitled to British preferential tariff rates. Goods from all countries outside the British Empire are subject to general tariff rates.

#### France

##### CONSULAR FEE INCREASED

The Consul General of France in Montreal advises that, beginning December 1, 1937, the consular fee for legalization of consular invoices, certificates of origin or of documents combining these two forms has been increased from 25 francs to 35 francs, or to an equivalent of \$1.20 Canadian. Documents relating to merchandise valued at less than 500 francs (\$17) are legalized free of charge. Documents for shipments to Syria and Lebanon are legalized free of charge whatever the value of the shipment.

#### Japan

##### EXPORT RESTRICTIONS

With reference to the notice in *Commercial Intelligence Journal* No. 1765 (November 27, 1937), page 943, Mr. C. M. Croft, Commercial Secretary, Canadian Legation, Tokyo, advises that the Japanese Government has restricted, with effect from November 6, 1937, the export of additional items to those already enumerated under Schedule "C." The commodities affected are: swine bristles, antimony and tungsten ores, antimony manufactures, automobile chassis and engines.



## FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING DEC. 6, 1937

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, December 6, and for the week ending Monday, November 29, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Nov. 29	Nominal Quotations in Montreal Week ending Dec. 6	Official Bank Rate
Austria . . . . .	Schilling	.1407	\$ .1889	\$ .1888	3½
Belgium . . . . .	Belga	.1001	.1698	.1699	2
Bulgaria . . . . .	Lev	.0072	.0129	.0129	6
Czechoslovakia . . . . .	Krone	.0296	.0352	.0351	3
Denmark . . . . .	Krone	.2680	.2227	.2230	4
Finland . . . . .	Markka	.0252	.0221	.0221	4
France . . . . .	Franc	.0392	.0338	.0339	3½
Germany . . . . .	Reichsmark	.2382	.4028	.4027	4
Great Britain . . . . .	Pound	4.8666	4.9887	4.9962	2
Greece . . . . .	Drachma	.0130	.0092	.0092	6
Holland . . . . .	Guilder	.4020	.5553	.5562	2
Hungary . . . . .	Pengo	.1749	.2947	.2954	4
	Unofficial		.1982	.1981	—
Italy . . . . .	Lira	.0526	.0525	.0525	4½
Jugo-Slavia . . . . .	Dinar	.0176	.0231	.0231	5
Norway . . . . .	Krone	.2680	.2507	.2510	4
Poland . . . . .	Zloty	.1122	.1892	.1894	5
Portugal . . . . .	Escudo	.0442	.0451	.0454	4
Roumania . . . . .	Leu	.0060	.0073	.0076	4½
Spain . . . . .	Peseta	.1930	.0624	.0633	5
Sweden . . . . .	Krona	.2680	.2572	.2574	2½
Switzerland . . . . .	Franc	.1930	.2310	.2312	1½
United States . . . . .	Dollar	1.0000	.9990	.9995	1
Mexico . . . . .	Peso	.4985	.2772	.2775	4-5
Cuba . . . . .	Peso	1.0000	.9983	.9987	—
Guadeloupe . . . . .	Franc	.0392	.0338	.0339	—
Jamaica . . . . .	Pound	4.8666	4.9987	5.0062	—
Martinique . . . . .	Franc	.0392	.0338	.0339	—
Other British West Indies	Dollar	1.0138	1.0392	1.0409	—
Argentina . . . . .	Peso (Paper)	.4245	.3326	.3329	—
	Unofficial		.2932	.2927	—
Brazil . . . . .	Milreis (Paper)	.1196	.0561	.0559	—
British Guiana . . . . .	Dollar	1.0138	1.0392	1.0409	—
Chile . . . . .	Peso	.1217	.0517	.0517	3-4½
	Unofficial		.0400	.0400	—
Colombia . . . . .	Peso	.9733	.5424	.5317	4
Peru . . . . .	Sol	.2800	.2448	.2449	6
Venezuela . . . . .	Bolivar	.1930	.3134	.3136	—
Uruguay . . . . .	Peso	1.0342	.7910	.8000	—
South Africa . . . . .	Pound	4.8666	4.9812	4.9900	3½
Egypt . . . . .	Pound (100 Piastres)	4.9431	5.1050	5.1175	—
China (Shanghai) . . . . .	Dollar	.....	.2945	.2947	—
Hongkong . . . . .	Dollar	.....	.3116	.3117	—
India . . . . .	Rupee	.3650	.3765	.3770	3
Japan . . . . .	Yen	.4985	.2905	.2908	3.29
Java . . . . .	Guilder	.4020	.5553	.5561	—
Siam . . . . .	Baht (Tical)	.4424	.4572	.4580	—
Straits Settlements . . . . .	Dollar	.5678	.5848	.5855	—
Australia . . . . .	Pound	4.8666	3.9900	3.9962	3
New Zealand . . . . .	Pound	4.8666	4.0225	4.0287	2

The Dominion Bureau of Statistics has supplied the following note:—

Sterling was firmer in the first week of December, moving up approximately 1 cent to \$4.996. Discounts on New York funds remained narrow but tended to increase slightly. A further gold shipment of \$5,000,000 from the United States to France was made early in December. The French franc has continued to fluctuate narrowly just below 3.40 cents. South American currencies recently turned weaker, reflecting less favourable trade positions, due in large part to major price declines in basic commodity prices, which have seriously affected export values. The German mark has held between 40.27 cents and 40.31 cents since the beginning of December.

## TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

### Secretary, Board of Trade—

Saint John, N.B.	Kitchener, Ont.	St. Boniface, Man.
Halifax, N.S.	Brantford, Ont.	Winnipeg Man.
Quebec, P.Q.	Stratford, Ont.	Vancouver, B.C.
Montreal, P.Q.	Woodstock, Ont.	New Westminster, B.C.
Toronto, Ont.	St. Mary's, Ont.	
Chatham, Ont.	Portage la Prairie, Man.	

### Secretary, Chamber of Commerce—

Sherbrooke, P.Q.	Belleville, Ont.	Hamilton, Ont.
Kingston, Ont.	Peterborough, Ont.	Victoria, B.C.
Oshawa, Ont.	London, Ont.	Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

### Secretary, Canadian Manufacturers Association—

Toronto, Ont.	Winnipeg, Man.	Vancouver, B.C.
Montreal, P.Q.	Edmonton, Alta.	Victoria, B.C.

The Maritime Provinces Trade Commissioner, 122 Federal Building, Toronto, Ont.

The Bureau of Provincial Information, Victoria, B.C.

**Canadian exporters should, for follow-up purposes, transmit a copy of any reply sent in response to a Trade Inquiry to the Trade Commissioner in the territory from which the inquiry emanated.**

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Foodstuffs—</b>			
Cheese.....	867	New York City, New York	Purchase and Agency.
Macaroni.....	868	Auckland, New Zealand...	Agency.
Lobster (Canned).....	869	New York City, New York	Agency.
<b>Miscellaneous—</b>			
Ladies' Slippers and Sandals....	870	Port of Spain, Trinidad....	Agency.
Paper for Waxed Drinking Cups.	871	Rotterdam, Holland.....	Purchase.
Kraft Paper.....	872	Mexico City, D.F. Mexico..	Purchase.
Carbon Paper.....	873	Auckland, New Zealand...	Agency.
Horse Hides and Bellies.....	874	Bristol, England.....	Purchase.
Leather (Elk and Moose).....	875	Bristol, England.....	Purchase or Agency.
Radio Receivers.....	876	Melbourne, Australia.....	Agency.
Patented Automobile Accessories	877	Bristol, England.....	Purchase or Agency.
Steel Bars.....	878	Bristol, England.....	Purchase.



## PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

### From Saint John

*To Liverpool.*—Duchess of Atholl, Dec. 15; Montrose, Dec. 24; Montclare, Dec. 31; Duchess of Bedford, Jan. 7; Duchess of York, Jan. 14—all Canadian Pacific.

*To London.*—Beaverburn, Dec. 16; Beaverhill, Dec. 23; Beaverdale, Dec. 30; Beaverbrae, Jan. 6; Beaverford, Jan. 13—all Canadian Pacific.

*To Manchester.*—Manchester Citizen, Dec. 16; Manchester Regiment, Dec. 23; Manchester Commerce, Dec. 30; Manchester Port, Jan. 6—all Manchester Line.

*To Southampton.*—Duchess of Richmond, Canadian Pacific, Dec. 14.

*To Avonmouth (Port of Bristol), Cardiff and Swansea.*—Norwegian, Dec. 18; Dorelian, Dec. 28; Dakotian, Jan. 14—all Cunard-Donaldson and Dominion Lines.

*To Glasgow.*—Delilian, Dec. 31; Sulairia, Jan. 13; Athenia, Jan. 28—all Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Cairnmona (also calls at Dundee), Dec. 14; Cairnross (does not call at Leith), Dec. 28; Cairnesk, Jan. 11—all Cairn-Thomson Line.

*To Dublin and Belfast.*—Torr Head, Dec. 28; Kenbane Head, Jan. 9—both Head Line.

*To Antwerp and Havre.*—Beaverhill, Dec. 23; Beaverburn, Jan. 20—both Canadian Pacific (do not call at Havre); Hada County, Dec. 23; Flint II (does not call at Havre), Jan. 8; Brant County, Jan. 17—all County Line.

*To Rotterdam.*—Hada County, Dec. 23; Flint II, Jan. 8; Brant County, Jan. 17—all County Line.

*To Hamburg.*—Beaverburn, Dec. 16; Beaverford, Jan. 13—both Canadian Pacific.

*To Marseilles, Genoa, Leghorn, Naples, Messina and Palermo.*—Capo Lena, Dec. 16; Capo Olmo, Jan. 13—both Capo Line (call at Lisbon if sufficient cargo offers).

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Nelson, Dec. 22; Lady Hawkins, Jan. 5; Lady Drake, Jan. 19—all Canadian National.

*To Kingston and Jamaican Outports.*—Coppename, Dec. 20; Suriname, Jan. 3; Sarumacca, Jan. 17—all United Fruit Co. (cargo accepted for Caribbean, Central and South American ports with transhipment at Kingston).

*To Brisbane, Sydney, Melbourne and Adelaide.*—Port Halifax, Dec. 21; Kaipara, Jan. 21—both Montreal-Australia-New Zealand Line (will also call at Geelong).

*To Auckland, Wellington, Lyttelton and Dunedin.*—Port Saint John, Montreal-Australia-New Zealand Line, Jan. 11.

*To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta, Manila, Hongkong and Dairen.*—City of Bath, Dec. 14; City of Salisbury, Dec. 23—both Canada-India Service (cargo accepted for transhipment at Aden, call at other ports as cargo offers).

*To Alexandria, Jaffa, Haifa and Beirut.*—City of Salisbury, Dec. 29; Ernebank, Jan. 14; City of Sydney, Jan. 29—all Canada-India Service.

*To Cape Town, Port Elizabeth, East London and Durban.*—Loch Ranza, Dec. 14; Dunkeld (also calls at Sierra Leone, Walvis Bay, Lourenco Marques and Beira), Dec. 26; Trentbank, Jan. 8—all Elder Dempster Lines Ltd.; a steamer, Cosmopolitan Navigation Co., January.

### From Halifax

*To Liverpool.*—Duchess of Atholl, Dec. 16; Montrose, Dec. 25; Montclare, Jan. 1; Duchess of Bedford, Jan. 8—all Canadian Pacific; Aurania, Dec. 26; Scythia, Jan. 9—both Cunard-White Star Line; Newfoundland, Dec. 18; Dromore, Jan. 4; Nova Scotia, Jan. 25—all Furness Line; Manchester Division, Manchester Line, Jan. 12.

*To London.*—Beaverburn, Dec. 17; Beaverhill, Dec. 24; Beaverdale, Dec. 31; Beaverbrae, Jan. 7; Beaverford, Jan. 14—all Canadian Pacific; Ascania, Dec. 18; Andania, Jan. 1; Ausonia, Jan. 15—all Cunard-White Star Line.

*To Manchester.*—Manchester Citizen, Dec. 18; Manchester Regiment, Dec. 25; Manchester Commerce, Jan. 1; Manchester Port, Jan. 8; Manchester Brigade, Jan. 15; Manchester City, Jan. 22—all Manchester Line.

*To Southampton.*—Duchess of Richmond, Canadian Pacific, Dec. 15.

*To Glasgow.*—Athenia, Dec. 12; Delilian, Jan. 2—both Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Kyno, Dec. 23; Consuelo, Jan. 5—both Ellerman's Wilson Line (do not call at Leith); Cairnmona (calls at Dundee), Dec. 16; Cairnross, Dec. 30; Cairnvalona, Jan. 6; Cairnesk, Jan. 13—all Cairn-Thomson Line.

*To Aberdeen and Hull.*—Kyno, Dec. 23; Consuelo, Jan. 5; Guido, Jan. 19—all Ellerman's Wilson Line.

*To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—Boston City, Dec. 15; New York City, Jan. 8; Montreal City, Jan. 28—all Bristol City and Dominion Lines; Norwegian, Dec. 21; Dorelian, Dec. 31; Dakotian, Jan. 18—all Cunard-Donaldson and Dominion Lines.

- To Antwerp.*—Beaverhill, Dec. 24; Beaverburn, Jan. 21—both Canadian Pacific.
- To Hamburg.*—Beaverburn, Dec. 17; Beaverford, Jan. 14—both Canadian Pacific.
- To Copenhagen and Gdynia.*—Batory, Gdynia American Line, Jan. 20.
- To Gothenburg.*—Blankaholm, Dec. 20; Langaholm, Jan. 17—both Swedish-American.
- Mexico Line (also call at Scandinavian ports); Drottningholm, Swedish-American Line, Jan. 24.
- To St. John's, Nfld.*—Belle Isle (also calls at St. Pierre-Miquelon), Newfoundland-Canada SS. Ltd., Dec. 13 and 27 and Jan. 10; Portia, Dec. 15 and 29; a steamer, Jan. 12—both Newfoundland Rys. and SS. Co.; Newfoundland, Dec. 18; Dromore, Jan. 4; Nova Scotia, Jan. 25—all Furness Line; Fort Amherst, Furness-Red Cross Line, Dec. 20, Jan. 3 and 17.
- To Hamilton, Nassau, Kingston and Belize.*—Cathcart (does not call at Hamilton or Nassau), Dec. 30; Lady Somers, Jan. 6—all Canadian National.
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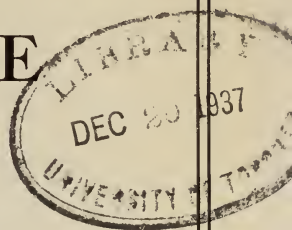
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No. 1768



Canadian Asbestos and Birch Logs being landed at Genoa, Italy

ISSUED BY AUTHORITY OF  
THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE  
JAMES G. PARMELEE, DEPUTY MINISTER

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Vol. LVII

Ottawa, December 18, 1937

No. 1768

## BELGIAN DAIRY PRODUCTS INDUSTRY AND TRADE

YVES LAMONTAGNE, CANADIAN TRADE COMMISSIONER

(29·7 Belgian francs equal \$1 Canadian)

Brussels, November 25, 1937.—During the first few years of the world economic crisis which began in 1929, the Belgian market was flooded with goods produced in countries which were endeavouring to dispose of their surplus production and which even practised dumping in order to facilitate sales. In order to protect local agriculture the Belgian Government sought to obtain immediate protection for the farmer by adopting measures designed to reduce imports, which included the raising of customs duties, the introduction of quotas, and the imposition of import licence fees, while premiums were granted in certain cases to encourage local production.

An overpopulated country such as Belgium, where industry is as important as agriculture, can only prosper by means of its export trade. Costs of production, and therefore the scale of wages, must be reduced to the minimum. The danger of the cost of living being increased as a result of legislation leading away from the traditional measures of free trade soon led to a move for the adoption of a more constructive policy based on the principle of securing more remunerative prices for the farmer by decreasing his costs of production, thereby also enabling him to meet the lower price of imported agricultural products.

### GOVERNMENT ASSISTANCE TO AGRICULTURE

This policy could only be carried out by direct action bearing upon certain important factors such as farm rentals, the cost of cattle feed, the cost of fertilizers, etc., while definite advantages were seen in the use of more up-to-date methods and equipment in farming, as well as in the planting wherever possible of the most profitable crops while abandoning the less remunerative ones.

Another means of ensuring more remunerative prices to the farmer, without his reaping profits solely gained at the expense of the consumer, was seen to consist in placing agriculture on a more adequate economic and commercial basis. In this connection it is emphasized that the consumer, here as elsewhere, has a preference for quality products as well as for goods which are attractively packed for distribution and sale. This merchandising problem presents special difficulties in a densely populated country such as Belgium where there are so many small producers, and the solution lies in the formation of farmers' co-operatives for both production and distribution.

### NATIONAL CREDIT INSTITUTE

A decree was published in October, 1937, setting up a National Credit Institute to grant loans to farmers so that they may obtain indispensable funds on the most favourable terms. It is stipulated in this decree that the State guarantees, up to 100,000,000 francs (about \$3,300,000), the repayment of

capital and the interest on bonds and loans issued under the provisions of the decree. The Institute may discount bills, warrants, orders for goods, and receipts for delivery of agricultural products. It may extend its activity to agricultural enterprises, to co-operatives for the sale and purchase of livestock, fertilizers, seeds, crops, and in general goods and produce relating to the agricultural industry.

#### PLANS FOR DEVELOPING THE DAIRY INDUSTRY

The dairy industry has been singled out for special attention and a comprehensive program for the development of the production of milk and its derivatives has been put into execution.

Action is being taken to improve the conditions under which milk is produced, such as the adoption of more sanitary methods in the stables, while measures are to be taken to lessen disease among cows. Subsidies will be granted for the selection and improvement of livestock, and credits will be made available to farmers for the purchase of additional land or equipment as well as for the construction of silos for the storing of green fodder with a view to reducing the cost of feeding animals during the winter.

During the height of the season a considerable quantity of milk has been allowed to go to waste; the manufacture of powdered and condensed milk is to be encouraged so as to absorb the surplus when milk is plentiful. Arrangements have been made with local manufacturers of chocolates and fine biscuits for the use of milk in this form.

#### PROPOSED QUALITY MARK FOR BUTTER

Provision is also being made for government intervention in the production of butter, and it is expected that an official quality mark will shortly be introduced, intended only for producers who have complied with specified requirements. It is hoped thereby to do away with the unsanitary conditions which at present exist on some of the farms where butter is produced. An effort will also be made to obtain more remunerative prices for skimmed milk in order to decrease the cost of production of butter.

A system of premiums will also be inaugurated as regards the production of cheese. These premiums will be granted only provided certain standards of quality are achieved. It is expected thereby to bring about a gradual development of the cheese industry in Belgium without resorting to increased import duties to encourage local production.

#### NATIONAL MILK BUREAU

In order that the various plans outlined above may be carried out with the necessary degree of co-ordination, an autonomous service, which will be known as the National Milk Bureau, is being formed.

Some considerable time must elapse before a radical improvement in the Belgian dairy industry can be effected, as the scheme is a comprehensive one and there are many difficulties to be overcome. The fact that only a few months ago steps were taken to control local production of margarine and restrict imports of this substitute for butter is an indication, however, that the Belgian Government is determined to assist the development of the local industry by every possible means.

#### COMMISSION OF AGRICULTURAL ORIENTATION

It may be added that the same principles applied to the dairy industry are to be adopted in the study of other agricultural problems, and a body known as the Commission of Agricultural Orientation (Cora) has been formed for this purpose.



## MILK, FRESH AND CONCENTRATED

## PRODUCTION

At the end of 1935 there were in Belgium nearly 1,075,000 cattle of two years and over, of which 970,000 were milch cows, besides 763,000 cattle under two years, including 540,000 heifers.

It is impossible to arrive at any reliable estimate of the actual production of milk, as no clear distinction is made between the number of milch cows and those which are really yielding milk. The average production of an adult milch cow in Belgium is 800 gallons per annum, but there are in this country specially bred animals which may supply as much as 1,200 gallons of milk.

Chief among the government measures to assist the development of Belgium's dairy industry are the reduction of tuberculosis and the improvement of accommodation for cattle, while an endeavour will be made to encourage the consumption of fresh milk by the glass, as in other countries, by the use of more sanitary methods of production and distribution.

Steps will also be taken to utilize the seasonal surplus of milk by converting it into concentrated products and so avoid the waste which occurs when milk production is at its peak. The customs duty on fresh and canned milk has been increased with the object of encouraging the local milk-canning industry, while further protection has been achieved through the imposition of a special tax on imports of milk and cream, which are furthermore regulated under a system of import licences and quotas.

## IMPORTS

Imports of fresh milk and cream, which totalled 1,527,000 gallons in 1933—mostly supplied by Holland—were reduced the following year, through the application of quotas, to 205,500 gallons and were further reduced to 133,000 gallons in 1935 and 88,000 gallons in 1936. Exports, which have never been substantial, amounted to about 30,000 gallons last year.

Imports of whipped milk or liquid buttermilk have also been cut down by quotas from 133,000 gallons in 1933 to 7,500 gallons in 1936. Exports last year totalled 49,000 gallons as compared with 82,000 gallons in 1932.

Imports of powdered buttermilk or whey, which are unaffected by quotas, totalled 946 tons in 1936 valued at 2,379,000 francs (mostly from Holland) as compared with exports of 861 tons valued at 2,140,000 francs.

Imports of milk and cream in concentrated form have increased in recent years. As compared with total imports of 3,389 tons in 1933, the foreign supply amounted to 4,794 tons in 1936 valued at 18,505,000 francs. Holland is the main supplier, its sales last year amounting to 4,643 tons; Great Britain is credited with 103 tons valued at 633,000 francs. Belgium's exports, which totalled 3,756 tons in 1933, consigned mostly to Great Britain, have since decreased, total exports in 1936 being 450 tons. This decrease in exports coincides with an increase in imports, but the falling-off in local production has been checked as a result of the government's intervention, and Belgian plants which had closed down have been reopened.

## CUSTOMS DUTIES AND LICENCE FEES

In 1933 imports of milk and cream were restricted under quotas, while a special tax (licence fee) was levied on imports in addition to the customs duty. In May, 1936, the schedule of fees for import licences was amended to include condensed milk in all its forms, while the taxes were readjusted both in relation to the butter fat content of the various products and to the protection given to the butter industry. The licence fees were subsequently raised in October, 1936.

The customs duties and licence fees now in force are given in the following table:—

	Customs Duty	Import Licence Fee
Milk, fresh, other than for manufacture of margarine, condensed milk, or lacteous flour . . . . .	Free	37.50 frs. per hect. (\$5.70 per 100 gals.)
Liquid buttermilk . . . . .	Free	6.25 frs. per hect. (95 cts. per 100 gals.)
Cream, fresh, other than for manufacture of margarine, condensed milk or lacteous flour . . . . .	Free	500 frs. per 100 kilos (\$7.60 per 100 lbs.)
Preserved milk and cream, in blocks or powder, unsweetened . . . . .	34.50 frs. per 100 kilos (53 cts. per 100 lbs.)	250 frs. per 100 kilos (\$3.80 per 100 lbs.)
Preserved milk or cream, condensed (syrupy), unsweetened . . . . .	34.50 frs. per 100 kilos (53 cts. per 100 lbs.)	100 frs. per 100 kilos (\$1.52 per 100 lbs.)
Preserved milk and cream, in blocks or powder, sweetened . . . . .	125 frs. per 100 kilos (\$1.90 per 100 lbs.)	250 frs. per 100 kilos (\$3.80 per 100 lbs.)
Preserved milk and cream, condensed (syrupy), sweetened . . . . .	100 frs. per 100 kilos \$1.52 per 100 lbs.)	100 frs. per 100 kilos (\$1.52 per 100 lbs.)

Preserved milk and cream, packed for retail sale, is subject to a sales tax of 5 per cent of the duty-paid value; there is no sales tax on fresh milk, whole or skimmed.

BUTTER AND SUBSTITUTES

PRODUCTION

Butter may be considered as the principal product of the Belgian dairy industry. Eighty per cent of the butter produced in Belgium is made on small farms, and production has been limited because of this fact. Nevertheless, local production has shown a constant but slow increase. Considering the margin of over 50 per cent existing between the consumption of butter alone and that of butter and its substitutes (margarine, edible fats, etc.), it would appear that local production could be substantially increased. The present consumption of butter and margarine is approximately 31.5 pounds per capita for a total population of 8,300,000.

The following table shows the production and consumption of butter and butter substitutes in Belgium during the past six years:—

*Production and Consumption of Butter and Butter Substitutes in Belgium*

Year	Natural Butter		Artificial Butter		Total Consumption
	Production	Consumption	Production	Consumption	
	Figures in Short Tons				
1931 .. .. .	70,950	90,200	38,390	38,940	129,140
1932 .. .. .	71,500	93,500	31,020	32,230	125,730
1933 .. .. .	70,290	83,600	38,170	39,820	123,420
1934 .. .. .	68,200	78,100	42,020	43,670	121,770
1935 .. .. .	68,200	74,800	50,380	50,380	125,180
1936 .. .. .	71,500	73,150	55,530	57,750	128,700

INCREASED MARGARINE CONSUMPTION

Although total consumption of butter and substitutes is fairly steady, the consumption of butter or margarine taken individually fluctuates considerably, owing chiefly to price influences. It would seem also that in Belgium, as in other neighbouring agricultural countries such as Holland and Denmark, the consumption of margarine has been stimulated as a result of the growth of factory production of butter, the decline in farm production of butter having led many small farmers to sell their milk to dairy factories, while they themselves pur-



chased margarine for their own use because it was cheaper. It would also be natural for the working class, in a country such as Belgium where wages are relatively low, to replace butter by margarine, particularly during the world economic crisis.

To check the consumption of margarine in Belgium and encourage the local butter industry, a special tax of 50 francs per 100 kilograms was imposed at the end of March, 1937, on margarine manufactured in Belgium, while at the same time imports were regulated by means of licences.

#### EFFECT OF QUOTAS ON IMPORTS OF BUTTER

Imports of butter have since 1932 been regulated under quotas, while a special licence tax is also applicable to these imports.

The protective measures as regards imports of butter have had the effect of increasing the price of this commodity and therefore reducing consumption. Because of this, it is pointed out that the main object, namely to encourage consumption of butter and discourage the use of its substitutes, has been defeated, and it would seem that under present circumstances governing local production of butter a considerable part of the population (about one-third) will continue to use margarine so long as the Belgian dairy industry finds it impossible to supply butter at lower prices.

As the margarine industry employs only a little more than 1,000 workmen, however, while well over 200,000 families are producing butter, there is a very strong case in favour of assisting the farmer and controlling production of margarine.

#### IMPORTS

Owing mainly to the imposition of quotas, total imports of butter have been substantially reduced during the past few years, particularly from Denmark, as the following table shows:—

#### *Belgian Imports of Butter, 1933-36*

	1933	1934	1935	1936	
	S. Tons	S. Tons	S. Tons	S. Tons	1,000 Fr.
Holland . . . . .	2,621	2,187	3,248	2,637	36,389
Denmark . . . . .	6,338	3,571	1,332	584	6,044
Ireland . . . . .	430	1,148	874	472	3,156
Lithuania . . . . .	418	524	458	209	2,123
United Kingdom . . . . .	2,027	1,751	406	13	127
Other countries <sup>1</sup> . . . . .	1,841	1,111	320	146	2,613
Total . . . . .	13,675	10,292	6,638	4,061	50,452

<sup>1</sup> Include Finland, Latvia, Norway and Austria.

Belgium's exports of butter (mainly unsalted) decreased from 352 tons in 1933 to 54 tons in 1934; in 1936 they totalled 34 tons valued at 597,000 francs, mainly for the Belgian Congo and for use as ships' stores.

Imports of margarine in 1933 and 1934 totalled 2,270 and 1,986 tons respectively. In 1935 they dropped to 410 tons, and in 1936 to 225 tons valued at 1,068,000 francs. Imports are practically confined to Holland. Exports, which totalled 495 tons in 1933, amounted to 119 tons valued at 694,000 francs in 1936, mainly for ships' stores and shipment to Holland.

It may be noted that imports of edible fats, such as natural lard, are controlled under quotas. Imports of natural lard, which totalled 10,326 tons in 1933, were reduced to 2,033 tons valued at 11,296,000 francs in 1936.

#### CUSTOMS DUTY AND LICENCE FEES

Butter is dutiable at 161 francs per 100 kilograms net (about \$2.46 per 100 pounds). Imports are restricted under quotas and there is a special tax

(licence fee) on imports. This special tax, which had been as high at 7·50 francs per kilogram, was reduced on November 10, 1937, to 4 francs per kilogram (about \$6.12 per 100 pounds) because of the rise in price. At the time of writing butter is quoted on the local markets (Antwerp and Brussels) at an average price of 25·5 francs to a maximum of 26·8 francs per kilogram. There is no sales tax on either butter or margarine.

## CHEESE

### PRODUCTION

Hitherto the production of cheese in Belgium has been on a very small scale. The government have now decided to develop this industry by means of a premium to manufacturers, it having been judged inexpedient to assist this industry by means of increased customs duties or quotas, possibly in order to avoid disturbing trade relations with the chief countries of supply and because local production cannot be quickly stepped up. Premiums will be granted to local producers only provided regulations as regards quality are complied with.

Production has consisted mainly of the soft white varieties, such as *petits Suisses*. Imitations of Brie, Port-Salut, and Camembert are also made.

### IMPORTS

Total imports of cheese amount to about 50,000,000 pounds annually, and it is estimated that some 70,000 cows would be required to supply the milk represented by these imports. Holland is by far the principal source of supply; its share of the total imports has increased during the past few years.

Imports of common, soft, white cheese (curdled milk) are prohibited. About 46 tons of other fresh soft cheese, similar to *petits Suisses*, are imported, mainly from France. Nearly 343 tons of fermented soft cheese, such as Brie and Camembert, were imported in 1936, mostly from France.

The types which are chiefly imported are the hard and semi-hard varieties, such as Dutch, Chester, Cheddar, Gruyère, Emmenthal, and Parmesan.

The following table shows the imports of hard and semi-hard cheese into Belgium, by countries of origin, during the past few years:—

*Belgian Imports of Cheese*

	1933	1934	1935	1936	1,000 Fr.
	S. Tons	S. Tons	S. Tons	S. Tons	
Holland . . . . .	19,158	18,532	21,137	21,526	125,035
Switzerland . . . . .	1,171	1,222	1,104	907	15,724
Finland . . . . .	724	1,010	868	969	8,455
Austria . . . . .	.....	.....	339	398	4,069
United Kingdom . . . . .	310	506	382	336	3,292
France . . . . .	584	257	213	217	3,527
Norway . . . . .	300	897	243	190	1,263
Other countries <sup>1</sup> . . . . .	681	663	492	372	3,464
Total . . . . .	22,928	23,087	24,778	24,915	164,829

<sup>1</sup> Include Italy, Denmark, Germany, New Zealand, Canada and a few others.

Imports from Canada in 1936 amounted to 245,888 pounds valued at 1,105,000 francs (about \$37,000). These imports consist mainly of the large coloured cheddar cheeses. Imports of processed cheese from Canada are on a limited scale, as this type may be readily imported direct from Great Britain.

New Zealand offers keen competition to Canadian cheddar, but Belgian buyers are willing to pay slightly higher prices for Canadian.

The demand for Canadian cheese could doubtless be stimulated with a certain amount of publicity and sales propaganda. It may be pointed out in this connection that Holland carries on a sustained campaign in order to



increase sales, while other countries, such as Switzerland, France, and Denmark, also make a special effort to maintain and develop the sale of their cheese on this market. The methods employed include a national stand at the large trade fairs, where cheese may be sampled, and "cheese weeks" held in some of the largest grocery stores in the chief centres. Exports are also assisted by indirect government subsidies.

#### CUSTOMS DUTIES

The customs duties on cheese are set out in the following table:—

	Customs Duty
Cheese, fresh, ordinary, soft, white (curdled milk) . . . . .	Free (import prohibited)
Other fresh cheese . . . . .	82.80 frs. per 100 kilos (\$1.27 per 100 lbs.)
Cheese, fermented, hard or semi-hard:	
Emmenthal, Gruyère, Sbrinz, in any shape or packing . . . .	72 frs. per 100 kilos (\$1.10 per 100 lbs.)
Hard, cheddar type . . . . .	72 frs. per 100 kilos (\$1.10 per 100 lbs.)
Other . . . . .	82.80 frs. per 100 kilos (\$1.27 per 100 lbs.)
Cheese, fermented, soft . . . . .	82.80 frs. per 100 kilos (\$1.27 per 100 lbs.)

There are no quotas on cheese and imports are not, as in the case of other dairy products, subject to a special tax (licence fee).

The sales tax on hard or semi-hard fermented cheese (cheddar, etc.) is 5 per cent on the duty-paid value. There is no sales tax on fresh and fermented soft cheese (common white, petits Suisses, Brie, Camembert, etc.).

## FOREIGN TRADE OF JAPAN, JANUARY TO SEPTEMBER

A. K. DOULL, ASSISTANT TRADE COMMISSIONER

(The average rate of the yen during the nine months of 1936 and 1937 may be taken as approximately 29 cents Canadian funds)

Tokyo, November 10, 1937.—Japan's total foreign trade for the nine months ended September 30, 1937, was valued at 5,423,726,295 yen as against 3,988,053,635 yen in the 1936 similar period, an increase of 1,435,672,660 yen. Exports were valued at 2,352,527,295 yen as compared with 1,914,029,316 yen, an increase of 438,497,979 yen; imports were valued at 3,071,199,000 yen as against 2,074,024,319 yen, an increase of 997,174,681 yen. Japan had thus an unfavourable balance of trade valued at 718,671,705 yen during the nine-month period of 1937 as against an excess of imports during the 1936 similar period of 159,995,003 yen, an increase of 558,676,702 yen.

#### EXPORTS BY COUNTRIES

Japan's largest volume of exports went to Asiatic countries, and was valued at 1,231,505,274 yen as against 979,266,840 yen in the 1936 similar period, an increase of 252,238,434 yen. Exports to North America were next in importance, being valued at 515,817,243 yen as against 414,696,608 yen, an increase of 101,120,635 yen. Exports to European countries were valued at 250,555,485 yen as against 223,239,699 yen, an increase of 27,315,786 yen. Exports to African countries were valued at 169,809,998 yen as compared with 143,825,469 yen, an increase of 25,984,529 yen. Exports to Oceanic countries were the only group to show a decrease, being valued at 72,942,114 yen as against 75,127,585 yen, a decrease of 2,185,471 yen. Exports to South America were valued at 71,409,583 yen as against 49,012,046 yen, an increase of 22,397,537 yen. Exports to Central America were valued at 40,487,598 yen as against 28,861,069 yen, an increase of 11,626,529 yen.

## EXPORTS BY PRINCIPAL COUNTRIES

The following list shows Japan's twenty best customers during the nine months ended September 30, 1937, in order of the value of products which were exported to them:—

Country	Yen	Country	Yen
United States . . . . .	500,917,566	Siam . . . . .	40,953,328
Kwantung Province . . . . .	279,234,534	Federation of South Africa ..	37,326,516
British India . . . . .	209,178,777	France . . . . .	31,862,037
Dutch East Indies . . . . .	165,426,210	Germany . . . . .	31,571,974
China proper . . . . .	150,750,808	Argentina . . . . .	28,106,510
Manchukuo . . . . .	148,882,184	Kenya, Uganda and Tanganyika	26,084,223
Great Britain . . . . .	118,101,904	Egypt . . . . .	24,577,639
Straits Settlements . . . . .	57,335,715	Iraq . . . . .	17,804,613
Australia . . . . .	47,580,930	Belgo-Luxemburg Economic	
Hongkong . . . . .	44,591,704	Union . . . . .	15,251,737
Philippine Islands . . . . .	44,374,020		

## EXPORTS BY COMMODITIES

## THE THREE PRINCIPAL EXPORTS

*Cotton Tissues.*—Cotton tissues were, as usual, Japan's largest single export item. Exports of cotton tissues amounted to 1,927,682,069 square yards valued at 420,434,708 yen during the period under review as against 1,993,870,564 square yards valued at 349,559,242 yen in the 1936 similar period, a small decrease in quantity although a large increase in value due to higher prices. Of total exports of cotton tissues, 571,780,934 square yards (106,693,734 yen) were classified as "grey," 489,958,859 square yards (94,847,711 yen) as "bleached," and 865,942,276 square yards (218,893,263 yen) as "other."

The largest purchasers of "grey" cotton tissues were the Dutch East Indies (17,131,594 yen), Manchukuo (14,113,397 yen), British India (10,219,842 yen), and China proper (6,635,919 yen). "Bleached" cotton tissues were exported chiefly to the Dutch East Indies (20,481,329 yen), the United States (15,205,759 yen), British India (8,835,499 yen), French Morocco (6,706,457 yen), Kwantung Province (5,057,243 yen), and Manchukuo (4,071,712 yen).

Cotton tissues classified as "other" were exported chiefly to the Dutch East Indies (38,559,424 yen), British India (22,017,731 yen), Manchukuo (19,724,313 yen), Argentina (12,725,222 yen), Kwantung Province (11,119,620 yen), and Kenya, Uganda, and Tanganyika (9,686,706 yen).

*Raw Silk.*—Raw silk was Japan's second largest export item and amounted to 342,834 bales valued at 302,695,323 yen as against 333,321 bales valued at 255,648,079 yen in the 1936 similar period, an increase in both quantity and value. The United States was as usual Japan's largest customer for raw silk, exports to that country amounting to 285,089 bales valued at 250,341,596 yen as against 279,573 bales valued at 214,258,420 yen, an increase in both quantity and value. Among the other purchasers of Japanese raw silk were Great Britain (21,170,273 yen), France (16,230,029 yen), Australia (5,037,586 yen), and British India (4,830,342 yen). Exports of raw silk to Canada amounted to 596 bales valued at 600,856 yen. This is according to Japanese statistics, which do not take into account the fact that Canada buys nearly all her requirements of Japanese raw silk directly from New York, and they are naturally shown as exports of raw silk to the United States in Japanese trade returns.

*Artificial Silk Tissues.*—Japan's third largest export was that of artificial silk tissues, amounting to 357,860,587 square yards valued at 114,879,855 yen as against 384,595,599 square yards valued at 107,982,113 yen, a decrease in quantity and an increase in value due to a rise in the price of artificial silk. The largest purchasers of artificial silk tissues were British India (22,404,280 yen), Kwantung Province (12,241,473 yen), Australia (11,646,648 yen), the Dutch East Indies (9,177,108 yen), and Hongkong (7,100,603 yen).



## EXPORT VALUES EXCEEDING 20,000,000 YEN

The following products were exported to a value exceeding 20,000,000 yen:—

Machinery and parts (82,959,228 yen), chiefly to Kwantung Province, China proper, and Manchukuo; comestibles (63,564,931 yen), chiefly to the United States and Great Britain; silk tissues (53,666,172 yen), chiefly to British India, the United States, and Great Britain; knitted goods (45,525,020 yen), chiefly to the Dutch East Indies, the United States, Great Britain, the Philippine Islands, and British India; iron manufactures (39,629,083 yen), chiefly to Kwantung Province, the Dutch East Indies, British India, Manchukuo, and China proper; pottery (39,031,416 yen), chiefly to the United States; woollen tissues (38,580,717 yen), chiefly to Kwantung Province, British India, China proper, and Egypt; cotton yarns (38,341,034 yen), chiefly to British India; artificial silk (32,966,270 yen), chiefly to British India, China proper, and Mexico; toys (31,003,674 yen), chiefly to the United States, Great Britain, and British India; paper (28,411,895 yen), chiefly to Kwantung Province, China proper, Manchukuo, and Hongkong; lumber (25,647,464 yen), chiefly to Great Britain, Kwantung Province, China proper, and Manchukuo; glass and glass manufactures (24,941,840 yen), chiefly to British India, the United States, the Dutch East Indies, and the Philippine Islands; and hats and caps (20,244,201 yen), chiefly to the United States, China proper, Great Britain, and British India.

## EXPORT VALUES EXCEEDING 10,000,000 YEN

The following other products were exported to a value exceeding 10,000,000 yen and less than 20,000,000 yen:—

Vegetable oils (19,346,923 yen), chiefly to the United States; lamps and parts (16,803,860 yen), chiefly to the United States, Great Britain, the Dutch East Indies, Kwantung Province, and British India; aquatic products (15,588,248 yen), chiefly to Kwantung Province, China proper, the United States, Hongkong, and the Straits Settlements; tea (14,578,398 yen), chiefly to the United States, Russia, and Canada; refined sugar (13,594,326 yen), chiefly to China proper, Kwantung Province, and Manchukuo; wheat flour (12,805,827 yen), chiefly to Kwantung Province, China proper, and Manchukuo; fish oil (12,581,867 yen), chiefly to Germany, Great Britain, and the United States; jewellery (11,389,292 yen), chiefly to British India and the United States; and buttons (10,133,910 yen), chiefly to Great Britain and British India.

## IMPORTS BY CONTINENTS

Asiatic countries were Japan's chief source of supply during the period under review, imports from those countries being valued at 1,096,447,532 yen as against 800,929,216 yen in the 1936 nine-month period, an increase of 295,518,316 yen. Imports from North America were valued at 1,058,148,369 yen as against 657,824,877 yen, an increase of 400,323,492 yen.

Imports from European countries were valued at 384,547,145 yen as compared with 254,751,419 yen, an increase of 129,795,726 yen. Imports from Oceanic countries were the only group to show a decrease during the period under review, imports being valued at 196,480,344 yen as against 201,377,525, a decrease of 4,897,181 yen. Imports from Africa were valued at 190,240,555 yen as against 76,456,126 yen, an increase of 113,784,429 yen. Imports from South America were valued at 128,657,634 yen as against 66,686,467 yen, an increase of 61,971,167 yen; and from Central America at 16,677,421 yen as against 15,998,578 yen, an increase of 678,843 yen.

The following list shows Japan's twenty largest suppliers during the nine months ended September 30, 1937, in order of the value of products which were imported from them:—

Country	Yen	Country	Yen
United States . . . . .	980,371,537	Straits Settlements . . . . .	59,654,469
British India . . . . .	423,163,898	New Zealand . . . . .	45,317,459
Manchukuo . . . . .	183,983,932	Brazil . . . . .	39,225,138
Australia . . . . .	145,007,032	Philippine Islands . . . . .	37,111,270
China proper . . . . .	131,154,725	Sweden . . . . .	36,556,213
Germany . . . . .	131,017,492	Argentina . . . . .	36,345,902
Dutch East Indies . . . . .	118,958,771	British Malaya . . . . .	35,664,685
Federation of South Africa . . . . .	87,318,084	Kwantung Province . . . . .	34,246,792
Great Britain . . . . .	82,636,869	Belgo-Luxemburg Economic Union . . . . .	33,934,552
Canada . . . . .	77,768,070		
Egypt . . . . .	65,043,176		

## IMPORTS BY COMMODITIES

*Raw Cotton.*—Raw cotton was, as usual, Japan's largest single import item, imports of which were valued at more than 25 per cent of Japan's total imports of all products during the period under review. Imports of raw cotton amounted to 1,704,477,192 pounds valued at 798,454,470 yen as against 1,525,088,664 pounds valued at 627,471,052 yen in the 1936 similar period, an increase in both quantity and value. British India was the largest supplier of raw cotton to Japan during the period under review, imports from that country being valued at 356,672,131 yen. Imports of raw cotton from the United States, which was a close second, were valued at 289,992,154 yen, followed by Egypt (54,748,060 yen), China proper (22,723,963 yen), and Kenya, Uganda, and Tanganyika (21,529,421 yen).

*Metals, etc.*—For the first time Japanese statistics this month do not classify imports of steel, iron, lead, aluminium, tin, copper, nickel, zinc, etc., separately, and only show one item, "ores and metals," in the returns. The value of all these metals together amounted to 664,557,779 yen as against 267,426,977 yen in the 1936 period, and therefore this group must be classed as Japan's second largest import item. Previously iron and steel was generally Japan's third largest import, but other metals were well down on the list.

*Sheep's Wool.*—Japan's third largest import item was sheep's wool amounting to 244,582,404 pounds valued at 286,554,186 yen as against 192,027,528 pounds valued at 179,079,090 yen, an increase in both quantity and value. Largest suppliers of sheep's wool to Japan were Australia (109,432,119 yen), Union of South Africa (82,555,760 yen), New Zealand (40,802,335 yen), and Argentina (17,709,854 yen).

Fourth largest import was crude india-rubber and gutta-percha valued at 92,104,125 yen as against 48,459,707 yen, an increase of 43,644,418 yen. Largest purchases of rubber came from the Straits Settlements (39,197,005 yen), the Dutch East Indies (23,430,385 yen), and French Indo-China (8,293,168 yen).

*Mineral Oil.*—Imports of mineral oil, which were valued at over 130,000,000 yen up to July of this year, would of course have been in fourth place or perhaps even in third, but import figures of this product have now been deleted from the returns. It should also be noted that import figures of automobiles and machinery are also no longer shown in the trade statistics. Imports of automobiles up to July were valued at 30,681,887 yen, and imports of machinery at 91,628,338 yen.

*Paper and Rayon Pulp.*—Imports of paper and rayon pulp come fifth in value of imports as far as published information goes and were valued at 81,147,945 yen as against 48,163,769 yen in the 1936 similar period, an increase of 32,984,176 yen. Largest suppliers of paper and rayon pulp to Japan were the United States (34,351,347 yen), Sweden (19,609,301 yen), Norway (11,965,919 yen), and Canada (8,251,838 yen).

## VALUES EXCEEDING 10,000,000 YEN

The following other products were imported to a value exceeding 10,000,000 yen:—

Beans and peas (71,418,082 yen), chiefly from Manchukuo; lumber (50,820,814 yen), chiefly from the United States, Canada, and the Philippine Islands; coal (44,282,142 yen), chiefly from Manchukuo and China proper; oilcake (37,747,443 yen), chiefly from Manchukuo, Kwantung Province, and China proper; oil-yielding materials (34,173,007 yen), chiefly from Manchukuo and China proper; "other" vegetable fibres (33,928,810 yen), chiefly from the Philippine Islands, British India, and China proper; hides and skins (31,622,311 yen), chiefly from China proper, the United States, Argentina, and Australia; wheat (21,738,531 yen), chiefly from Australia, Canada, and Argentina; phosphorite



(21,245,403 yen), chiefly from Egypt and the United States; sulphate of ammonia (17,188,763 yen), chiefly from Kwantung Province and Germany; sugar (13,751,629 yen), chiefly from the Dutch East Indies; and synthetic colours (12,494,518 yen), chiefly from Germany.

#### VALUES UNDER 10,000,000 YEN

The following products were imported to a value not exceeding 10,000,000 yen and not less than 1,000,000 yen:—

Rice and paddy, chiefly from Siam; fresh beef, chiefly from China proper; leather, chiefly from British India; beef tallow, chiefly from Australia; caustic soda, chiefly from Great Britain and the United States; nitrate of soda, chiefly from Chile; woollen or worsted yarns, chiefly from Great Britain; woollen tissues, chiefly from Great Britain; newsprint, chiefly from Canada; watches and parts, chiefly from Switzerland; dynamos, chiefly from the United States and Germany; and wheat bran, chiefly from China proper and Manchukuo.

#### SUMMARY OF THE FOREIGN TRADE OF JAPAN

The following is a summary of Japan's foreign trade for the nine months ended September 30, 1937 and 1936:—

	Jan.-Sept 1937 Yen	Jan.-Sept., 1936 Yen	Per Cent Increase
Imports . . . . .	3,071,199,000	2,074,024,319	48.1
Exports . . . . .	2,352,527,295	1,914,029,316	22.9
Total trade . . . . .	5,423,726,295	3,988,053,635	36.0
Excess of imports . . . . .	718,671,705	159,995,003	349.2

#### PRINCIPAL EXPORTS AND IMPORTS

The following figures show Japan's chief exports and imports for the nine months of 1937 and 1936 ended September 30, together with the percentage of increase or decrease as against 1936:—

##### *Principal Exports from Japan*

	Jan.-Sept., 1937 Yen	Jan.-Sept., 1936 Yen	Per Cent Inc. or Dec.
Cotton tissues:			
Other . . . . .	218,893,263	181,417,854	+ 20.6
Grey . . . . .	106,693,734	150,928,252	— 29.3
Bleached . . . . .	94,847,711	62,213,136	+ 52.4
Raw silk . . . . .	302,695,323	255,648,079	+ 18.4
Artificial silk tissues . . . . .	114,879,855	107,982,113	+ 6.4
Machinery and parts . . . . .	82,959,228	55,816,361	+ 48.6
Comestibles . . . . .	63,564,931	52,834,973	+ 20.3
Silk tissues . . . . .	53,666,172	50,557,421	+ 6.1
Knitted goods . . . . .	45,525,020	37,229,501	+ 22.3
Iron manufactures . . . . .	39,629,083	29,039,399	+ 36.5
Pottery . . . . .	39,031,416	32,142,042	+ 21.4
Woollen tissues . . . . .	38,580,717	34,794,223	+ 10.9
Cotton yarns . . . . .	38,341,034	28,268,904	+ 35.6
Artificial silk . . . . .	32,966,270	21,829,291	+ 51.0
Toys . . . . .	31,003,674	26,446,446	+ 17.2
Paper . . . . .	28,411,895	18,980,195	+ 49.7
Lumber . . . . .	25,647,464	18,836,969	+ 36.1
Glass and manufactures . . . . .	24,941,840	18,388,466	+ 35.6
Hats and caps . . . . .	20,244,201	13,487,222	+ 50.1
Vegetable oils . . . . .	19,346,923	33,560,581	— 42.3

##### *Principal Imports into Japan*

	Jan.-Sept., 1937 Yen	Jan.-Sept., 1936 Yen	Per Cent Inc. or Dec.
Raw cotton . . . . .	798,454,470	627,471,052	+ 27.2
Ores and metals . . . . .	664,557,779	267,426,977	+148.5
Sheep's wool . . . . .	286,554,186	179,079,090	+ 60.0
India-rubber (crude) . . . . .	92,104,125	48,459,707	+ 90.0
Pulp (paper and rayon) . . . . .	81,147,945	48,163,769	+ 68.5
Beans and peas . . . . .	71,418,082	58,077,664	+ 23.0

*Principal Imports into Japan—Concluded*

	Jan.-Sept., 1937 Yen	Jan.-Sept., 1936 Yen	Per Cent Inc. or Dec.
Lumber . . . . .	50,820,814	40,633,337	+ 25.1
Coal . . . . .	44,282,142	37,597,205	+ 17.8
Oil cake . . . . .	37,747,443	29,328,882	+ 28.7
Oil-yielding materials . . . . .	34,173,007	31,674,887	+ 7.9
Other vegetable fibres . . . . .	33,928,810	26,392,145	+ 28.5
Hides and skins . . . . .	31,622,311	17,458,169	+ 81.1
Wheat . . . . .	21,738,531	28,268,219	- 23.1
Phosphorite . . . . .	21,245,403	16,686,328	+ 27.3
Sulphate of ammonia . . . . .	17,188,763	31,895,431	- 46.1
Sugar . . . . .	13,751,629	17,838,839	- 22.9
Synthetic colours . . . . .	12,494,518	8,334,086	+ 49.9
Wheat bran . . . . .	8,243,835	5,602,895	+ 47.1
Woollen tissues . . . . .	8,207,585	3,602,207	+ 127.8
Newsprint . . . . .	6,659,135	7,858,288	- 15.2

## JAPAN'S TRADE WITH CANADA

Japan's total trade with Canada for the January-to-September period of 1937 was valued at 92,576,274 yen as against 65,338,302 yen in the 1936 similar period, an increase of 27,237,972 yen. Exports to Canada were valued at 14,808,204 yen as against 9,561,698 yen, an increase of 5,246,506 yen; imports from Canada were valued at 77,768,070 yen as against 55,776,604 yen, an increase of 21,991,466 yen. Japan had thus an unfavourable balance of trade with Canada amounting to 62,959,866 yen as compared with an excess of imports during the 1936 similar period of 46,214,906 yen, an increase of 16,744,960 yen.

This is according to Japanese statistics, which do not, of course, show indirect exports to Canada of such products as raw silk, which is purchased chiefly through New York. If Canada's purchases of Japanese raw silk were taken into account, Japan's unfavourable balance of trade with Canada would be reduced to a considerable extent. According to the returns of the Dominion Bureau of Statistics, Canada's imports of "silk cocoons, raw silk, not more advanced than singles, not to include material wholly or partly degummed," amounted to 1,805,668 pounds (\$3,668,272) in the first nine months of 1937. This compares with 1,419,460 pounds (\$2,528,821) in the corresponding period of 1936. Included in these totals were 1,721,483 pounds (\$3,487,277) imported from the United States but mainly of Japanese origin as compared with 1,377,696 pounds (\$2,454,185) in the first nine months of 1936. Direct imports from Japan totalled 84,185 pounds (\$180,995) and 41,764 pounds (\$74,636) in the first nine months of 1937 and 1936 respectively.

## EXPORTS TO CANADA

Japan's largest exports to Canada during the period under review were raw silk, pottery, toys, tea, artificial silk tissues, and lamps and parts. With respect to raw silk, as has been mentioned above, this product is chiefly imported into Canada from the United States, and is therefore shown in the Japanese statistics as an export to the United States. According to Japanese statistics, direct exports of raw silk to Canada during the period under review amounted to only 596 bales valued at 600,856 yen; but according to Dominion Bureau of Statistics figures, the value of the importations from Japan into the Dominion was \$3,668,272.

Exports of pottery to Canada were valued at 1,574,461 yen as against 1,372,615 yen, an increase of 201,846 yen. Canada was Japan's sixth largest buyer of pottery. Exports of toys to Canada were valued at 1,264,241 yen as against 801,007 yen, an increase of 463,234 yen. Canada was Japan's fifth best



customer for toys. Exports of tea to Canada were valued at 925,658 yen as against 941,634 yen, a decrease of 15,976 yen. Canada was the third largest purchaser of tea from Japan, the United States (5 125,153 yen) and Russia (1,867,856 yen) taking larger amounts. Other exports to Canada included artificial silk tissues (744,815 yen), lamps and parts (509,317 yen), rice (503,019 yen), and silk tissues (164,191 yen).

#### IMPORTS FROM CANADA

Japan's largest imports from Canada during the period under review were lead, lumber, pulp, wheat, nickel, newsprint, and aluminium.

As was mentioned earlier in this report, the Japanese statistics after July of this year discontinued showing metals separately in the returns or according to countries of origin. Nickel never has been shown in the Japanese returns according to the country of origin and at present this metal is not shown at all. It is known, however, that large quantities of nickel are being imported into Japan at the present time, and according to the returns of the Canadian Bureau of Statistics, exports of fine nickel to Japan for nine months of 1937 totalled 71,083 cwts. valued at \$2,869,225.

Imports of lead from Canada for the seven months ended July 31, were valued at 11,983,615 yen as against 6,236,274 yen in the corresponding period of 1936, which makes lead easily Japan's largest import from Canada during the period under review. Canada for many years has been the largest exporter of lead to Japan.

Imports of lumber from Canada were valued at 9,476,202 yen as against 4,476,093 yen, an increase of 5 000,109 yen. Canada, next to the United States (23,735,652 yen), was the largest exporter of lumber to Japan.

Imports of pulp from Canada, both for rayon and paper making, were valued at 8,251,838 yen as against 2,878,641 yen. Of total imports of pulp from Canada 66,759,999 pounds valued at 6,074 946 yen was pulp for paper-making, and 18,173,333 pounds valued at 2,176,892 yen was for rayon manufacture. Canada was the fourth largest exporter of pulp to Japan, the United States (34,351,347 yen), Sweden (19,609,301 yen), and Norway (11,965,919 yen) being the largest shippers.

Imports of wheat from Canada amounted to 1,104,072 bushels valued at 5,528,470 yen as against 3,028,172 bushels valued at 9,035,621 yen, a decrease in both quantity and value. Next to Australia (11,384,428 yen), Canada was the largest exporter of wheat to Japan.

Canada maintained her position as by far the largest exporter of newsprint to Japan during the nine-month period, index September, 1937. Imports of newsprint from Canada amounted to 27,126 short tons valued at 4,689,789 yen as against 58,611 short tons valued at 6,689,368 yen in the 1936 similar period, a decrease in both quantity and value. Shipments of newsprint from Canada to Japan represented over 70 per cent of total newsprint imports. Next largest suppliers were Great Britain (581,818 yen) and Norway (411,436 yen).

Imports of aluminium from Canada for the seven months of 1937 were valued at 3,908,398 yen as against 8,036,747 yen, a decrease of 4,128,349 yen. Canada is the largest exporter of aluminium to Japan, and were figures for the nine months known the value of aluminium imports from Canada would undoubtedly be considerably larger. The large decrease as compared with last year is due to the fact that extra large quantities of aluminium were imported early last year before the duties on that product were raised.

Imports of zinc for the period under review are also not known, but imports for seven months were valued at 2,071,555 yen as against 1,774,996 yen for the

similar period of 1936, an increase of 296,559 yen. Next to Australia (3,909,425 yen), Japan was the largest supplier of zinc for the seven months' period. Imports of copper for the seven months were valued at 186,072 yen as against nil during the same months of 1936.

Statistics of wheat flour from Canada are not available, but according to a Japanese firm, who are practically the only importers of Canadian wheat flour at the present time, they brought in 20,000 bags in July but have been unable to obtain licences for further shipments since that time because of import control laws. Before this last shipment this firm had brought in 350,000 bags since the beginning of the year making a total of 370,000 bags for the January-to-September period. This firm imports Canadian flour with a high gluten content for manufacturing a seasoning extract known as "Ajinomoto."

#### SUMMARY OF JAPAN'S TRADE WITH CANADA

The following is a summary of Japan's total trade with Canada for the nine months of 1937 and 1936, ended September 30:—

	Jan.-Sept., 1937 Yen	Jan.-Sept., 1936 Yen	Per Cent Increase
Imports . . . . .	77,768,070	55,776,604	39.4
Exports . . . . .	14,808,204	9,561,698	54.8
Total trade . . . . .	92,576,274	65,338,302	41.7
Excess of imports . . . . .	62,959,866	46,214,906	36.2

#### CHIEF EXPORTS AND IMPORTS

The following figures show Japan's chief exports to and imports from Canada for the nine months of 1937 and 1936, ended September 30, together with percentage of increase or decrease compared with the corresponding period in 1936:—

##### *Principal Exports to Canada*

	Jan.-Sept., 1937 Yen	Jan.-Sept., 1936 Yen	Per Cent Inc. or Dec.
Pottery . . . . .	1,574,461	1,372,615	+ 14.7
Toys . . . . .	1,264,241	801,007	+ 57.8
Tea . . . . .	925,658	941,634	— 1.7
Artificial silk tissues . . . . .	744,815	451,561	+ 64.9
Raw silk . . . . .	600,856	518,167	+ 15.9
Lamps and parts . . . . .	509,317	155,745	+227.0
Rice . . . . .	503,019	656,956	— 23.4
Silk tissues . . . . .	164,191	144,913	+ 13.3
Brushes . . . . .	152,090	80,277	+ 89.4
Silk handkerchiefs . . . . .	120,869	49,139	+146.0
Buttons . . . . .	69,647	65,974	+ 5.5
Menthol crystals . . . . .	62,451	24,442	+155.5
Beans and peas . . . . .	37,198	22,872	+ 62.6

##### *Principal Imports from Canada*

	Jan.-Sept., 1937 Yen	Jan.-Sept., 1936 Yen	Per Cent Inc. or Dec.
Lead <sup>1</sup> . . . . .	11,983,615	6,236,274	+ 92.1
Lumber . . . . .	9,476,202	4,476,093	+111.7
Pulp (paper and rayon) . . . . .	8,251,838	2,878,641	+186.6
Wheat . . . . .	5,528,470	9,035,621	— 38.8
Newsprint . . . . .	4,689,789	6,689,368	— 29.9
Aluminium <sup>1</sup> . . . . .	3,908,398	8,036,747	+ 51.3
Zinc <sup>1</sup> . . . . .	2,071,555	1,774,996	+ 16.7
Copper <sup>1</sup> . . . . .	186,072	.....	.....
Beef (fresh) . . . . .	111,572	50,133	+122.5

<sup>1</sup> Imports for seven months, ended July 31, only.



## WHEAT AND WHEAT FLOUR SITUATION IN JAPAN

A. K. DOULL, ASSISTANT TRADE COMMISSIONER

(One yen equals approximately 29 cents Canadian at the present rate of exchange)

### WHEAT

Tokyo, November 9, 1937.—According to returns of the Ministry of Agriculture and Forestry, Japan's wheat crop for this year amounted to 49,580,398 bushels, an increase of 1·6 per cent over the original estimates for this year and of 11·5 per cent over the figures for last year's crop. When compared with the five-year average, this year's crop showed an increase of 17·4 per cent, setting an all-time record for Japan, as shown in the following table:—

#### *Wheat Crop in Japan*

	Acres	Bushels
1933 .....	1,510,366	39,744,683
1934 .....	1,588,817	46,875,740
1935 .....	1,626,476	47,892,887
1936 .....	1,687,949	44,448,192
1937 .....	1,775,270	49,580,398

On account of the increase in production of wheat and the estimated increase in rice for this year, quotations for wheat on the local market for the period under review showed a weak tone. According to the index number of the Bank of Japan, the average monthly wholesale price in Tokyo for domestic wheat during September was 253 as against 271 for the same period of last year, and for imported wheat 165 as against 138.

### PRICE RANGES

According to a well-known tri-monthly economic and financial review published in Tokyo, quotations for various kinds of wheat for the first nine months of 1937 and 1936 are summarized as follows:—

Local No. 3 Improved wheat reached a high of 10·40 yen per 100 kin (132 pounds or 2·2 bushels) in January and a low of 8·45 yen in August as compared with a high of 9·90 yen and a low of 8·10 yen in 1936.

American Western White Walla No. 2 was quoted at a high of 11·65 yen per 100 kin in April and a low of 8·63 yen in September as against a high of 9·20 yen and a low of 6·33 yen in 1936.

Canadian Northern No. 3 reached a high of 13·16 yen in July and a low of 10·10 yen in January as compared with a high of 9·03 yen and a low of 6·13 yen in 1936.

Australian wheat was quoted at a high of 10·70 yen in April and a low of 8·65 yen in January as against a high of 8·10 yen and a low of 6·13 yen in 1936.

In the case of foreign wheat the foregoing quotations are c.i.f. prices Japan.

### IMPORTS

Imports of wheat for the first nine months of this year, as compared with the similar period of last year, were down by 48·3 per cent in quantity and by 23·1 per cent in value, amounting to 5,074,126 bushels valued at 21,738,531 yen. This is chiefly due to smaller shipments from Australia, which declined by 56·4 per cent in quantity and 34·5 per cent in value. Imports from Canada were reduced by 63·5 per cent and 38·8 per cent respectively, and from China

by 82.2 per cent and 80 per cent respectively. Shipments from Argentina for the period under review amounted to 523,000 bushels valued at more than 2,000,000 yen, there being no imports from that country in the corresponding period of 1936. Imports from other countries, chiefly Manchuria, increased by 144.7 per cent in quantity and 180.3 per cent in value.

### *Imports of Wheat into Japan*

	January-September		January-September	
	1936 Bushels	1937 Bushels	1936 Yen	1937 Yen
Australia . . . . .	6,182,541	2,696,058	17,391,722	11,384,428
Canada . . . . .	3,028,172	1,104,072	9,035,621	5,528,470
Argentina . . . . .	.....	523,455	.....	2,037,470
China . . . . .	312,200	55,444	889,785	177,719
United States . . . . .	5,595	.....	19,959	2
Other . . . . .	284,044	695,097	931,132	2,610,442
Total . . . . .	9,812,552	5,074,126	28,268,219	21,738,531

### WHEAT FLOUR

In line with a decline in quotations for local wheat and a decrease in consumption and exports, prices for wheat flour for the third-quarter period of this year, as compared with the beginning of the year, showed in general a monthly decline as follows:—

### *Quotations for Wheat Flour*

	1936		1937	
	High Yen per 49-lb. Sack	Low	High Yen per 49-lb. Sack	Low
January . . . . .	4.08	3.93	5.13	5.00
February . . . . .	3.95	3.84	5.00	4.75
March . . . . .	3.92	3.78	4.95	4.74
April . . . . .	3.90	3.75	5.20	4.75
May . . . . .	3.90	3.76	4.80	4.42
June . . . . .	4.17	3.77	4.43	4.18
July . . . . .	4.45	3.98	4.93	4.24
August . . . . .	4.65	4.45	4.58	4.18
September . . . . .	4.57	4.50	4.57	4.22

### PRODUCTION AND EXPORTS

The production of wheat flour in Japan, according to the *Oriental Economist* of October 23, 1937, amounted to 17,971,000 sacks for the first seven months of this year as against 20,896,000 sacks for the corresponding period of 1936, a decline of about 14 per cent. Production for the first nine months of 1936 totalled 26,871,000 sacks, and it is estimated that production for the three-quarter period of this year was between 24,000,000 and 25,000,000 sacks.

Exports of wheat flour from Japan to the overseas market from January to September of this year, as compared with the similar period of last year, showed a decrease in quantity of 25.2 per cent, but the value of total shipments for the period increased by 4.1 per cent. Shipments to China increased by 130.8 per cent in quantity and by 286.1 per cent in value during the period under review; exports to all other countries showed a decrease. The increase in exports to China may be attributed to the fact that since the termination of Sino-Japanese hostilities in the larger cities of North China there has been a large increase in the demand for Japanese flour from those centres.

The following table shows exports of Japanese wheat flour for the first nine months of 1936 and 1937:—



*Exports of Wheat Flour*

	January-September		January-September	
	1936	1937	1936	1937
	Bbl.	Bbl.	Yen	Yen
Kwantung Province . . . . .	490,905	464,197	5,713,795	7,385,277
China . . . . .	58,414	134,855	591,584	2,284,451
Manchukuo . . . . .	377,330	122,708	4,429,746	1,969,355
Philippine Islands . . . . .	64,243	47,638	716,532	782,425
Dutch East Indies . . . . .	9,041	6,612	100,442	107,537
Straits Settlements . . . . .	5,029	718	53,202	10,281
Other . . . . .	59,966	19,431	698,348	266,501
Total . . . . .	1,064,928	796,159	12,303,649	12,805,827

## IMPORTS

Imports of wheat flour for the first nine months of this year amounted to 101,523 barrels valued at 1,933,056 yen as against 175,031 barrels valued at 2,343,560 yen for the similar period of last year, a decrease of 42 per cent in quantity and 17.5 per cent in value. This decline in imports is undoubtedly due to the policy of the Japanese Government restricting imports of various commodities.

Neither wheat nor wheat flour is subject to the measures governing the restriction or prohibition of imports enacted on October 11, 1937, under the Emergency Import and Export Control Law, but imports of these commodities for the time being will be restricted by the Foreign Exchange Control regulations.

## TRADE CONTROL MEASURES IN JAPAN

Mr. T. J. Monty, Assistant Trade Commissioner in Tokyo, writes that among the various measures which are radically altering the economic structure of Japan the following may be singled out as having effect on the trade between Canada and Japan: (1) the Law Concerning the Adjustment of Trade and Industry; (2) the Foreign Exchange Control Law; (3) the Emergency Import and Export Control Law.

The Law Concerning the Adjustment of Trade and Industry became effective as from September 27, 1937, and was for the primary purpose of giving the Government power to adjust one-sided trade relations with foreign countries so as to improve Japan's international payments and support the currency. Further objects of this law are to prevent the export of "shoddy" or of too low-priced goods from Japan and to avoid the dumping of such goods.

The Foreign Exchange Control Law—referred to in *Commercial Intelligence Journal* No. 1733 (April 17, 1937), page 625, and No. 1753 (September 4, 1937), page 445—aims primarily at the preservation of foreign exchange funds in order to safeguard the stability of the local currency endangered by recent developments. Restrictions on granting exchange for imports as outlined in these reports have been applied for this purpose. An important amendment to this law stipulates that, although imports less than 1,000 yen a month do not require an import permit and exchange licence, all shipments must nevertheless be accompanied by a bill of exchange for the whole or part of their value. Consignment shipments, even in cases where integrity of consignee is established, are therefore inadvisable in view of possible payment difficulties due to exchange and trade restrictions. Due to the policy of restricting exchange in payment for goods which are considered as non-essential, and to the absence of specification of precisely what are considered luxury or non-essential articles, some confusion has arisen as to the exact restriction applicable. The policy has been that, in order to obtain foreign exchange, importers must satisfy the authorities that their imports have been effected in previous years and that such imports are justified under the present general terms of the exchange control regulations.

The policy of restricting imports of non-essential goods and of prohibiting their entry into Japan is, however, gradually taking a more definite shape under the Emergency Import and Export Control Law. This law, enacted to give the Government power to control import and export trade, production, distribution, and consumption of commodities in Japan during the Chino-Japanese hostilities and for a year after their termination, among other things, restricts importation of logs, sawn timber, cotton, wool, and hair, in shipments beyond 100 yen in value (excluding parcel post shipments) to the extent that they may not be imported without the permission of the Minister of Commerce and Industry. This law was reviewed in *Commercial Intelligence Journal* No. 1765 (November 27, 1937), pages 943-4.

## SITUATION IN BRAZIL

L. S. GLASS, CANADIAN TRADE COMMISSIONER

Rio de Janeiro, November 25, 1937.—On November 10 Dr. Getulio Vargas, the President, dissolved all legislative bodies in Brazil, and at the same time promulgated a new constitution in place of the one which was declared in 1934. He named himself President under the new constitution as from November 10, the date of its promulgation, for the presidential term of six years, contingent upon the acceptance of the new constitution by the people of Brazil, which is to be made the subject of a plebiscite at a date to be fixed by the President.

### THE CONSTITUTION

Among the clauses of the new constitution the following may be enumerated as of particular interest:—

ARTICLE 8—Any State, being unable to collect sufficient revenue during three consecutive years to maintain its services, shall be administered as a Territory under the control of the Federal authorities until its financial capacity be restored.

ARTICLE 9 (c)—The Federal Government will intervene in the case of any State which has suspended the service of its funded debt for more than two consecutive years.

ARTICLE 35 (c)—No State may contract a foreign loan without first having obtained the consent of the Federal Government.

ARTICLE 39—Parliament shall meet automatically on May 3 each year and shall function for four months only, unless the President extends this period. (During such extended period Parliament may consider only such matters as may be designated by the President.)

ARTICLES 46 to 55—Parliament shall be composed of a Chamber of Deputies and a Federal Council, the former composed of the representatives of the people, elected by indirect suffrage. The Federal Council shall have one representative from each State, elected by the legislative assembly of the State. The State's nominee, however, is subject to veto by the Governor of the State. Ten members are to be nominated by the President.

ARTICLES 57-63—A third body is to be constituted without, at the present time, having legislative powers. This is the National Economic Council. It is to be divided into five sections, each covering a phase of national life—Industry and Artisanry; Agriculture; Commerce; Transportation; and Credit. Each of these sections will have at its head a Minister and will be composed of representatives of the various branches of national en-



deavour and shall be chosen by professional associations or other similar bodies, as may be recognized by law. This body is to have wide powers of an advisory and investigatory nature and will form the positive link between the professions, industry and commerce and the legislative bodies of the country. Provision has been made for this body to attain to legislative status at some future time, subject to presidential decision, but this power may not be granted without first calling a national plebiscite. The President shall name three members of each category of the council.

ARTICLE 66—The President retains the power of veto over bills passed in Parliament, which he must exercise within thirty days of the despatch of the bill in question for his approval. He may forbid the discussion of any matter in either of the houses which impinges upon any measure which the Government expresses the intention of introducing.

ARTICLE 64—No bill may be introduced into either house by a single member . . . . . only by a minimum of one-third of the members.

ARTICLE 74 (k)—It is the prerogative of the President to declare a "State of War" or "State of Emergency". (Under the old constitution this could only be done after receiving the approval of the Chamber of Deputies and the Senate.)

ARTICLE 75 (a)—It is the prerogative of the President to name one of the presidential candidates. (Under the new constitution only two candidates may run; under the old, and not under the new constitution, the President was prohibited from running for consecutive terms.)

ARTICLE 139—Strikes and lockouts are declared to be anti-social, harmful to labour and capital and incompatible with the superior interests of national production.

ARTICLE 145—The functioning of banks of deposit and insurance companies in the country is prohibited unless their shareholders are Brazilian. Reasonable time, it is stated, will be allowed for banks and insurance companies already established to conform with the law.

ARTICLES 146 and 147—The operation of enterprises which are concessionaires of any Government in Brazil is regulated. (This refers to public utility companies, and to railways and other transports.) Under these articles the majority of administrative positions must be filled by Brazilians or all powers of management be delegated to Brazilians. These articles also presage Federal regulation of charges and rates.

#### COFFEE LEGISLATION

The statement to the country made by President Vargas over the air on November 10 forecast certain important legislation on coffee and also on the external debt of Brazil.

Coffee has been and is still by far the most important single item of the exports of Brazil, accounting for over one-half of the total value. The industry has always had to bear a considerable burden of taxation. The tremendous fall in prices and in world consumption subsequent to the War, and particularly during the depression period after 1929, placed the industry in a precarious position. Decreased consumption brought about conditions similar to over-production, and Brazil began to enact restrictive measures aimed at the co-ordination of world demand and supply. Incidentally, this was intended to have the effect of maintaining prices and preventing violent fluctuations of the market.

## NATIONAL COFFEE DEPARTMENT

The execution of these and other measures was delegated to the National Coffee Department. At this time the policy was embarked upon of incinerating that portion of each year's crop considered to be in excess of world requirements, and up until August 31, 1937, a total of 56 553 tons of coffee was destroyed in this manner. Such a program was costly, and taxes on exported coffee gradually increased until finally there was an export tax of 15 shillings (fixed at 45 milreis) collected on every bag exported, and furthermore, 35 per cent of all coffee export bills were required to be sold to the Bank of Brazil at a rate (official exchange rate) under which the return to the exporter was considerably less in milreis than in the free market.

On various occasions Brazil has attempted to prevail on other coffee-producing countries to support her in her attempt to curtail the amount of coffee delivered to the world markets, but has met with little success. As a result, while Brazil was prohibiting the planting of new trees—and in that way being able to do little, if anything, to improve the general quality of her coffee—and buying stocks from her own producers for incineration, other coffee-producing countries were reaping the advantage of a regulated market and, at the same time, increasing production and introducing new and better strains. In 1923-24 Brazil supplied 69½ per cent of the world consumption of coffee. Since that time total consumption has increased from 22,000,000 bags to nearly 26,000,000 bags, but the percentage credited to Brazil has dropped to 62.4 per cent of the total.

## FINANCE MINISTER'S STATEMENT

The Minister of Finance, in an official announcement on November 3, stated: "In view of the necessity of reconciling the Brazilian coffee situation with that of other countries in the international markets . . . the Government has decided to revise its foreign policy as regards this product. . . ." The decree, which was signed by the President, reduces from 45 milreis to 12 milreis the export tax collected on coffee exports. Four milreis will be earmarked to pay certain debts of the National Coffee Department, and upon the completion of the payments this tax will automatically come to an end. Six milreis will be devoted to the liquidation of the balance outstanding on the £20,000,000 sterling coffee loan contracted by the State of São Paulo for the defence of the coffee market. The decree also relieves the coffee exporters from the necessity of selling export bills to the bank at any rate lower than that ruling on the free exchange market.

As a result of this legislation Brazil will be in a position to compete more favourably on the world market and to eliminate the majority of the marginal producers who have operated only because of the high prices. In order to prevent any undue speculation in Brazilian coffee which might have an unfavourable effect on the results aimed at by the legislation, the Government ordained a suspension of business on the coffee exchanges, which are still closed.

## FOREIGN DEBTS

In his broadcast speech the President of the Republic indicated the outstanding need for Brazil to revise her payments on external debts, pointing out at the same time that "as long as it was possible to meet the payments by the exportation of gold, Brazil did not refuse to do so. It is clear, however, that external payments can only be made with the balance from commercial transactions. . . . The situation imposes at the moment the suspension of payment of interest and amortization until such time as it may be possible to readjust our undertakings without sapping and impoverishing our economic life. . . ."



On November 21, the President announced the suspension of payment on the external debt of Brazil, at the same time indicating that negotiations would be opened with the interested countries immediately for the purpose of arriving at a mutually beneficial adjustment.

It should be noted, however, that the suspension of payments does not refer to or include suspension of payments on account of obligations undertaken for the settlement of frozen commercial debts. Such payments will continue as before.

#### EXCHANGE TRANSACTIONS

The decree freeing coffee exporters from the necessity of selling 35 per cent of their export bills to the Bank of Brazil at the official rate also relieved all other exporters of whatever commodity from turning over a part of their bills to the bank. "Official exchange" has now been done away with entirely, and all transactions of whatever kind must be done on the open market. During the first half of October there was a shortage of exchange due to decreased exports of coffee, and in order that this should not prove acute, the Bank of Brazil cut down exchange allotments to £1,000 per day per firm for any and all transactions not covered by drafts. This policy is being continued during this present period of transition in order to prevent undue fluctuations or too heavy buying. However, in cases where there are drafts covering legitimate imports, exchange is immediately available to any amount. Sales of exchange for future liquidation are prohibited.

#### TRADE COMMISSIONERS ON TOUR

Mr. James Cormack, Canadian Trade Commissioner in Dublin, Irish Free State (whose territory covers Northern Ireland also), and Mr. J. H. English, Canadian Trade Commissioner in London, England, are at present on tour in the interests of Canadian trade with their respective territories. Their itineraries are as follows:—

##### Mr. Cormack

St. John .....	Dec. 20 and 21	Toronto .....	Jan. 21 to Feb. 5
Ottawa .....	Dec. 23 and 24	St. Catharines .....	Feb. 7
Vancouver .....	Jan. 6 to 14	Hamilton .....	Feb. 8
Kelowna .....	Jan. 12	Brantford .....	Feb. 9
Winnipeg .....	Jan. 17 and 18	London .....	Feb. 10

##### Mr. English

Montreal .....	Dec. 20 to 23
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Firms who wish to be brought in touch with the Trade Commissioners should communicate, for Toronto, Vancouver, and Winnipeg with the office of the Canadian Manufacturers Association; for Montreal, with the Montreal Board of Trade; and for the other centres, with the respective Board of Trade or Chamber of Commerce.

#### SPORTS GOODS TRADE IN EGYPT

HENRI TURCOT, CANADIAN TRADE COMMISSIONER

Cairo, November 26, 1937.—The demand for sports goods in Egypt is satisfied by imports. Great Britain is the chief source of supply, her share of the total trade being represented by over 80 per cent. Other contributors, in order of importance, are France, British India, Norway, and Japan. Canada has been in the market for the past two years with golf and tennis balls. Imports of sports goods into Egypt amounted to LE.27,805 (one Egyptian pound is equal to slightly over \$5) in 1936 against LE.23,225 in 1935. The trade is almost entirely limited to European residents and a relatively small, though

growing number of young Egyptians. Apart from football, which has a great appeal for them, and a little tennis, the mass of Egyptians play few, if any, outdoor games. The sports goods trade, however, should show expansion as a result of the encouragement given to games and other forms of physical training.

According to figures compiled by the Statistical Division of the Egyptian Ministry of Finance for the Cairo office, imports of sports goods equipment into this country in 1936 and 1935 were as follows:—

*Imports of Sports Goods into Egypt*

	L.E. 1936	L.E. 1935
Total.. . . . .	27,805	23,225
Tennis.. . . . .	9,778	9,664
Cricket.. . . . .	2,187	1,360
Football.. . . . .	1,909	1,766
Golf.. . . . .	1,800	1,942
Fishing.. . . . .	1,694	1,407
Hockey.. . . . .	1,117	820
Polo.. . . . .	386	420
Squash.. . . . .	365	234
Skating (roller).. . . . .	319	15
Basket ball.. . . . .	258	237
Boxing.. . . . .	152	322
Pingpong.. . . . .	148	78
Fencing.. . . . .	148	165
Billiards.. . . . .	104	186
Chest expanders.. . . . .	66	98
Rowing.. . . . .	45	81
Shooting sticks.. . . . .	23	38
Others.. . . . .	7,306	4,392

With the exception of fishing tackle, in which Norway took first place, Great Britain was the chief supplier in all categories. Twenty-three countries supplied sports goods to Egypt in 1936 and 1935.

## CUBAN SEED POTATO REGULATIONS

C. S. BISSETT, CANADIAN TRADE COMMISSIONER

Havana, November 25, 1937.—The Cuban Department of Health has requested that, when a single health certificate covers shipments to two or more Cuban importers, each unit of each separate lot carry a distinguishing lot mark or label to permit rapid identification and separation of each lot, and, furthermore, that the Canadian health certificate, or a certified attachment thereto, carry these lot numbers under the name of each importer. It is suggested that the latter might read as follows: "A total of 1,000 bbls. comprising 400 bbls., M-1 to M-400; 275 bbls., X-1 to X-275," etc. The respective mark, composed of letter and number, must also appear on each unit and in addition should be indicated in the covering commercial invoice.

A lack of such marks creates very great difficulty for the health inspection officers, when it is found that a certain number of units in a multiple shipment must be rejected because of disease or damage, since it is impossible for them to determine to which importer the rejected units belong. The usual result is that clearance of the total shipment is delayed unduly until the various importers concerned can agree among themselves as to the allocation of the loss sustained from the rejected units. Clear and efficient marking will help to confine resultant claims to those importers actually affected and will probably prevent the promulgation of official regulations in this respect which, apart from fines for non-compliance, will make future entry more difficult. All exporters are asked to extend their fullest co-operation in this matter and to comply with the request of the Cuban health authorities.



## MEXICAN WEIGHTS AND MEASURES ACT TO BE STRICTLY ENFORCED

R. T. YOUNG, CANADIAN TRADE COMMISSIONER

Mexico City, December 4, 1937.—The weights and measures regulations originally promulgated by the Mexican Government on December 14, 1928, will be strictly enforced on and after January 1, 1938.

These regulations prohibit the use of any system of weights and measures in Mexico other than the metric system in any documents representing a commercial transaction, such as invoices, bills of sale, receipts, etc., and also includes the designations of weight or contents of containers or labels of goods sold or advertised for sale in Mexico.

When prices are quoted in invoices or like documents for transactions in Mexico they must be expressed in units of the metric system: for example, 144 boxes of chocolates at \$75 per 100 boxes, \$108. Where a number of units of an article are sold in a package, any reference to the contents of the container or on the label must be limited to the specific number of units—for example, 12 pencils or 144 pens—all terms such as dozen or gross being prohibited. Exception is made of the word "par" (pair), which is permitted for gloves, footwear, and similar articles of personal use which are customarily purchased in sets of two pieces.

Likewise where goods are sold in containers, any reference as to weight or volume of the contents on the container itself or on the label must be stated in grams, kilos, litres, or any other metric units, and all reference to non-metric weights or measures must be deleted. The present interpretation of the regulations by the Mexican authorities would seem to permit package goods to be sold in non-metric unit containers—that is, say in containers of one pound or any other amount that may be desired. In this instance, if weight or measure is shown on the container, labels, advertising matter, or otherwise, it must be in terms of metric units exclusively—that is, a pound container must show 453.6 grams, and no reference whatever to the equivalent in units of other systems is permitted to be shown.

## BRITISH TRADE COMMISSIONERS IN CANADA

Canadian importers and others desirous of obtaining information regarding the export trade of the United Kingdom and Canadian firms desirous of representing British manufacturers in Canada are invited to communicate with the undermentioned:—

The Senior British Trade Commissioner in Canada and Newfoundland, 1111 Beaver Hall Hill, Montreal, Que. Telegraphic address: "Britcom."

The British Trade Commissioner in the Maritime Provinces and Newfoundland, 1111 Beaver Hall Hill, Montreal, Que. Telegraphic address: "Britcom."

The British Trade Commissioner (for Ontario), 901-905 Bank of Hamilton Building, Toronto, Ont. Telegraphic address: "Toroncom."

The British Trade Commissioner (for Alberta and British Columbia), 850 West Hastings Street, Vancouver, B.C. Telegraphic address: "Vancom."

The British Trade Commissioner (for Manitoba, Saskatchewan and Northwest Ontario), 703 Royal Bank Building, Winnipeg, Man. Telegraphic address: "Wincom."

## TARIFF CHANGES AND CUSTOMS REGULATIONS

### Australia

#### REMOVAL OF IMPORT RESTRICTIONS

With reference to the article published in *Commercial Intelligence Journal* No. 1767 (December 11, 1937), page 1009, further particulars of the removal of the import restrictions in effect since May 23, 1936, have been received from Mr. J. P. Brophy, Australian Customs Representative in New York. Pending action by the Australian Parliament to determine the customs duties adequate to protect industries established under the licensing restrictions, or industries which have either extended manufacturing operations or have laid plans for establishment, the licensing system will be administered on the following basis:—

In the case of goods which are not competitive with Australian industry, licences will be granted for importation irrespective of the country of origin.

In the case of goods competitive with Australian industry, the licensing restrictions at present in force will operate until duties adequate to the protection of the industries concerned have been determined and applied.

In the case of motor chassis, importation will continue on the present basis.

In pursuance of this policy authority is given for the issue of permits freely for importation, irrespective of the country of origin, of the following goods which are included in the schedule of restricted imports:—

Cotton piece-goods classifiable under tariff Item 105(A)(1); piece-goods of artificial silk or containing artificial silk or having artificial silk worked thereon, classifiable under tariff Item 105(D)(1); piece-goods of silk or containing silk or having silk worked thereon, classifiable under tariff Item 105 (D) (2); iron and steel plates and sheets (plain); iron and steel wire of No. 15 or finer gauge (Imperial Standard Wire Gauge); iron and steel plates and sheets (plain, tinned); typewriters, including covers and parts; roller bearings and ball bearings; electric light and power cable; guns and rifles; files and rasps; polished and patent plate glass; staves of wood, undressed, dressed, or partly dressed; 8 mm. and 16 mm. kinematographs; spectacles and spectacle frames; rubber elastic; writing and typewriter paper; surface-coated paper (plain or embossed); marble and foil paper; paper and boards specially prepared for coating with photographic emulsion; motor cycles, and motor cycle frames whether partly or wholly finished; cameras (including mounted lenses) and accessories; artificial silk yarn; celluloid sheets; sewing machines, including sewing machines of the type ordinarily used in the household and heads thereof; stitching machines, buttonhole punching and sewing machines, darning machines, garment-drafting machines, straw envelope-making machines; printing machines and presses, except such as may be classifiable under 169(D); metal-working machinery, only chucks; locomotives; electric storage batteries and parts; engines of the diesel or heavy oil type, when classifiable under Item 178(D)(2) and (3), and 178(I)(3)(b) and (c).

The full list of articles placed under licensing restrictions was published in *Commercial Intelligence Journal* No. 1687 (May 30, 1936), page 1047.

#### TARIFF CHANGES

Amendments to the Australian customs tariff effective December 9, 1937, increased rates of duty under thirty-nine items and decreased rates under thirty-six items. Cabled information shows that a number of the items affected are in the textiles group, including tickings, tapestries and tapestry curtain material containing silk; cotton and linen piece-goods for cutting up into pillowshams, table-centres, and like articles; also handkerchiefs, serviettes, quilts, curtains and blinds, canvas and duck not waterproofed, tents and sails. The changes are chiefly reductions in rates. Parasols, sunshades, and umbrellas are now 22½ per cent, 50 per cent, and 53½ per cent ad valorem under the British preferential, intermediate, and general tariffs respectively (formerly 30 per cent, 50 per cent, and 50 per cent). The former item for sand slingers or throwers is cancelled. Rates are reduced on some types of laundry machines. Fixed resistances for wireless receiving sets are now ¼d. 1d., and 1½d. each, or if higher 30 per cent, 50 per cent, 57½ per cent under the British



preferential, intermediate, and general tariffs respectively (formerly 2½d., 4d., and 4½d. each, with the same alternative ad valorem rates). Lifting jacks (a new item), are now 18d., 36d., and 42d. each, or if higher, 25 per cent, 45 per cent, and 65 per cent ad valorem, under respective tariffs. Chinaware, parianware, porcelainware, and earthenware, not elsewhere included in the tariff, 20 per cent, 50 per cent, and 50 per cent ad valorem under the respective tariffs (formerly 25 per cent, 50 per cent, and 50 per cent).

Canadian goods classified under all the items affected by the above changes are entitled to entry at the British preferential rates, if having the required Canadian content and shipped in accordance with Australian regulations.

#### DUTIES CHANGED ON CARPET SWEEPERS

Effective December 8, 1937, imports into Australia from Canada of carpet sweepers, Item No. 380A2, were made subject to the intermediate tariff rate instead of the British preferential rate, as formerly. This action is taken under Article IX of the trade agreement between Canada and Australia. The rates of duty are 10 per cent ad valorem under the British preferential tariff and 35 per cent ad valorem under the intermediate and general tariffs. The normal rates of primage duty are 5 per cent ad valorem under the British preferential tariff and 10 per cent ad valorem under the intermediate and general tariffs, but Canadian carpet sweepers, although entered under the intermediate tariff, will still be accorded the 5 per cent rate of primage duty. Provision is made for the increasing equally of the British preferential, intermediate, and general tariff rates as the present exchange depreciation of Australian currency may be lessened.

### Portugal

#### SUBSTITUTES FOR WHEAT FLOUR

With reference to the notice published in *Commercial Intelligence Journal* No. 1755 (September 18, 1937), page 531, Mr. J. C. Depocas, Assistant Canadian Trade Commissioner in Milan, writes that a Portuguese decree-law published November 24, 1937, stipulates that a minimum limit of 7 per cent of dry gluten in the flour for second-quality bread applies to that quantity of wheat flour which enters into its composition.

### Panama

#### INCREASED DUTY ON CONDENSED MILK

A presidential decree of the Republic of Panama provides that from February 1, 1938, the import duty on condensed milk will be 25 cents per kilo gross weight and on evaporated milk 20 cents per kilo gross weight. The present rate on unskimmed condensed milk is 4 cents per kilo gross and on unskimmed evaporated milk, sweetened or not, costing at least \$2.60 f.o.b. per case, 7 cents per kilo gross, and costing less than \$2.60 f.o.b. per case, 6 cents per kilo gross. The decree is to implement a contract of 1936 between the Panama Government and the Nestle Anglo-Swiss Milk Products Limited under which the Government undertook to increase import duty on evaporated and condensed milk six months prior to the time these products are put on sale through domestic manufacture. The Nestle Anglo-Swiss Milk Products Limited, the decree states, has given notice that a domestic factory established at Nata, Cocle Province, will begin to produce evaporated and condensed milk during the month of July, and that the sale of these articles will begin on August 1, 1938. The increase in duty on evaporated milk will be for the first five years of domestic production, after which the duty will be 25 cents. The decree states that the Nestle Anglo-Swiss Milk Products Limited will not be permitted to increase the price of the milk and will remain under obligation to maintain current prices.

## Cuba

### MARKING REGULATIONS

Mr. C. S. Bissett, Canadian Trade Commissioner in Havana, writes under date November 25, 1937, that a recent law amending the marking regulations provides that each unit of any industrial product placed on sale, whether made in Cuba or imported, must carry on its exterior, clearly visible, the name and domicile of the manufacturer. This law was promulgated in the *Official Gazette* of November 10, 1937, and it will come into force six months thereafter. During this intervening period regulations as to the type of mark or identification required on each kind of product will be prepared and promulgated for public information. Infractions of the law will entail confiscation of the goods in all cases, plus fines of increasing amounts for each successive offence.

In connection with imported goods, the local importer will be held responsible for any infractions of the law. Exporters are therefore strongly advised to carry out this regulation meticulously in order to obviate refusal of the cargo by the importer at the Cuban port of entry.

## Netherlands Indies

### INCREASED IMPORT QUOTAS FOR TIRES AND TUBES

Mr. K. F. Noble, Acting Trade Commissioner at Singapore, forwards a translation of Netherlands Indies staatsblad No. 553 of 1937, which provides that during the period October 3, 1937, to October 2, 1938, import licences for motor car and motor cycle tires shall not exceed 1,702,520 gross kilos, and those for motor car and motor cycle tubes shall not exceed 194,170 gross kilos. The quotas for the previous year were 1,262,000 gross kilos for tires and 60,100 gross kilos for tubes. Certificates of origin are required for goods subject to import licence.

## Curacao

### TARIFF REDUCTIONS

Mr. J. A. Langley, Canadian Trade Commissioner at Rotterdam, forwards advice from the Netherlands Ministry of Colonies that, effective October 1, 1937, Curacao has reduced the import duty on potatoes from 2 florins to 1 florin per 100 kilos (25 cents per 100 pounds); the duty on rice from 3 florins to 2 florins per 100 kilos (50 cents per 100 pounds); and the excise tax on spirits from 2 florins to 1.50 florin per litre of 50 per cent strength (\$3.70 per imperial gallon).

## Syria

### TARIFF CHANGES

Mr. Henri Turcot, Canadian Trade Commissioner in Cairo, advises that under a Syrian decree of October 16, 1937, all the specific duties in the customs tariff of Syria and the Lebanon have been increased by 20 per cent, with the exception of those applying to the following commodities: sheep; coffee; wheat, spelt and meslin; wheat flour; hulled rice; groats; semolinas and hulled or pearly grains of cereals; fixed vegetable oils; sugar; and petroleum and motor spirit. Ad valorem duties remain as heretofore.



## FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING DEC. 13, 1937

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, December 13, and for the week ending Monday, December 6, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Dec. 6	Nominal Quotations in Montreal Week ending Dec. 13	Official Bank Rate
Austria . . . . .	Schilling	.1407	\$ .1888	\$ .1890	3½
Belgium . . . . .	Belga	.1001	.1699	.1700	2
Bulgaria . . . . .	Lev	.0072	.0129	.0129	6
Czechoslovakia . . . . .	Krone	.0296	.0351	.0351	3
Denmark . . . . .	Krone	.2680	.2230	.2230	4
Finland . . . . .	Markka	.0252	.0221	.0221	4
France . . . . .	Franc	.0392	.0339	.0339	3½
Germany . . . . .	Reichsmark	.2382	.4027	.4031	4
Great Britain . . . . .	Pound	4.8666	4.9962	4.9968	2
Greece . . . . .	Drachma	.0130	.0092	.0092	6
Holland . . . . .	Guilder	.4020	.5562	.5562	2
Hungary . . . . .	Pengo	.1749	.2954	.2970	4
	Unofficial		.1981	.1985	—
Italy . . . . .	Lira	.0526	.0525	.0526	4½
Jugo-Slavia . . . . .	Dinar	.0176	.0231	.0231	5
Norway . . . . .	Krone	.2680	.2510	.2511	4
Poland . . . . .	Zloty	.1122	.1894	.1894	5
Portugal . . . . .	Escudo	.0442	.0454	.0451	4
Roumania . . . . .	Leu	.0060	.0076	.0073	4½
Spain . . . . .	Peseta	.1930	.0633	.0613	5
Sweden . . . . .	Krona	.2680	.2574	.2575	2½
Switzerland . . . . .	Franc	.1930	.2312	.2313	1½
United States . . . . .	Dollar	1.0000	.9995	1.0000	1
Mexico . . . . .	Peso	.4985	.2775	.2775	4-5
Cuba . . . . .	Peso	1.0000	.9987	.9992	—
Gaudeloupe . . . . .	Franc	.0392	.0339	.0339	—
Jamaica . . . . .	Pound	4.8666	5.0062	5.0067	—
Martinique . . . . .	Franc	.0392	.0339	.0339	—
Other British West Indies	Dollar	1.0138	1.0409	1.0410	—
Argentina . . . . .	Peso (Paper)	.4245	.3329	.3332	—
	Unofficial		.2927	.2935	—
Brazil . . . . .	Milreis (Paper)	.1196	.0559	.0543	—
British Guiana . . . . .	Dollar	1.0138	1.0409	1.0410	—
Chile . . . . .	Peso	.1217	.0517	.0517	3-4½
	Unofficial		.0400	.0400	—
Colombia . . . . .	Peso	.9733	.5317	.5448	4
Peru . . . . .	Sol	.2800	.2449	.2450	6
Venezuela . . . . .	Bolivar	.1930	.3136	.3137	—
Uruguay . . . . .	Peso	1.0342	.8000	.8000	—
South Africa . . . . .	Pound	4.8666	4.9900	4.9900	3½
Egypt . . . . .	Pound (100 Piastres)	4.9431	5.1175	5.1200	—
China (Shanghai) . . . . .	Dollar	.....	.2947	.2947	—
Hongkong . . . . .	Dollar	.....	.3117	.3117	—
India . . . . .	Rupee	.3650	.3770	.3771	3
Japan . . . . .	Yen	.4985	.2908	.2909	3.29
Java . . . . .	Guilder	.4020	.5561	.5562	—
Siam . . . . .	Baht (Tical)	.4424	.4580	.4580	—
Straits Settlements . . . . .	Dollar	.5678	.5855	.5861	—
Australia . . . . .	Pound	4.8666	3.9962	3.9975	3
New Zealand . . . . .	Pound	4.8666	4.0287	4.0300	2

The Dominion Bureau of Statistics has supplied the following note:—

The Canadian dollar declined fractionally in terms of sterling and New York funds in the second week of December, the latter returning to par after being quoted at a slight discount since late in October. Montreal rates on sterling advanced approximately one cent and then steadied just under \$5. Subsequent to the removal of exchange restrictions, the Brazilian milreis has suffered appreciable losses, the current free rate of 5.43 cents being half a cent below mid-November levels. The Argentine peso remains firm.

## TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

### Secretary, Board of Trade—

Saint John, N.B.  
Halifax, N.S.  
Quebec, P.Q.  
Montreal, P.Q.  
Toronto, Ont.  
Chatham, Ont.

Kitchener, Ont.  
Brantford, Ont.  
Stratford, Ont.  
Woodstock, Ont.  
St. Mary's, Ont.  
Portage la Prairie, Man.

St. Boniface, Man.  
Winnipeg Man.  
Vancouver, B.C.  
New Westminster, B.C.

### Secretary, Chamber of Commerce—

Sherbrooke, P.Q.  
Kingston, Ont.  
Oshawa, Ont.

Belleville, Ont.  
Peterborough, Ont.  
London, Ont.

Hamilton, Ont.  
Victoria, B.C.  
Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

### Secretary, Canadian Manufacturers Association—

Toronto, Ont.  
Montreal, P.Q.

Winnipeg, Man.  
Edmonton, Alta.

Vancouver, B.C.  
Victoria, B.C.

The Maritime Provinces Trade Commissioner, 122 Federal Building, Toronto, Ont.

The Bureau of Provincial Information, Victoria, B.C.

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Foodstuffs—</b>			
Maize Flour.....	879	Bristol, England.....	Purchase or Agency.
<b>Miscellaneous—</b>			
Seeds (Timothy and Alsike)....	880	Barnstaple, England.....	Purchase.
Silk Hosiery.....	881	Melbourne, Australia.....	Agency.
Silk Gloves.....	882	Melbourne, Australia.....	Agency.
Soft Goods (Textiles).....	883	Melbourne, Australia.....	Agency (Indent).
Sun-glasses or Sun-goggles.....	884	Sydney, Australia.....	Agency.
Beauty Parlour Supplies.....	885	Melbourne, Australia.....	Agency.
Toilet Brushware.....	886	Sydney, Australia.....	Agency.
Druggists' Sundries.....	887	Sydney, Australia.....	Agency.
Rubber Products.....	888	Perth, W. Australia.....	Agency.
Rubber Goods.....	889	Sydney, Australia.....	Agency.
Glassware (Cut or Blown).....	890	Sydney, Australia.....	Agency.
School Stationery.....	891	Melbourne, Australia.....	Agency.
Paper (Writing, Poster, News- print, Chromo and Enamel).	892	Sydney, Australia.....	Agency.
Handles (Broom and Tool); Woodenware (Domestic).	893	Belfast, Northern Ireland..	Agency.
Columbian Pine Squares for Handles.	894	Navan, Irish Free State....	Purchase.
Adzes and Axes.....	895	Adelaide, South Australia..	Agency.
Cycle Accessories.....	896	Melbourne, Australia.....	Agency (indent)
Fish Plates and Bolts.....	897	Mexico, D.F., Mexico.....	Purchase.
Hardware Specialties.....	898	Melbourne, Australia.....	Agency (Indent)
Centrifugal Pumps, for Draining Excavations.	899	Wellington, New Zealand..	Agency.
Lacquer and Polishing Com- pounds .....	900	Cape Town, South Africa..	Agency.



## PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

### From Saint John

*To Liverpool.*—Montrose, Dec. 24 and Jan. 21; Montclare, Dec. 31; Duchess of Bedford, Jan. 7; Duchess of York, Jan. 14—all Canadian Pacific.

*To London.*—Beaverhill, Dec. 23; Beavertdale, Dec. 30; Beaverbrae, Jan. 6; Beaverford, Jan. 13; Beaverburn, Jan. 20—all Canadian Pacific.

*To Manchester.*—Manchester Regiment, Dec. 23; Manchester Commerce, Dec. 30; Manchester Port, Jan. 6; Manchester Brigade, Jan. 13; Manchester City, Jan. 20—all Manchester Line.

*To Avonmouth (Port of Bristol), Cardiff and Swansea.*—Dorelian, Dec. 28; Dakotian, Jan. 14; Norwegian, Feb. 5—all Cunard-Donaldson and Dominion Lines.

*To Glasgow.*—Delilian, Dec. 31; Sulairia, Jan. 13; Athenia, Jan. 28—all Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Cairnross, Dec. 28; Cairnvalona, Jan. 6; Cairnesk, Jan. 11; Cairnglen, Jan. 25—all Cairn-Thomson Line.

*To Dublin and Belfast.*—Torr Head, Dec. 28; Kenbane Head, Jan. 9—both Head Line (cargo accepted for Cork and Londonderry).

*To Antwerp and Havre.*—Beaverhill, Dec. 23; Beaverburn, Jan. 20—both Canadian Pacific (do not call at Havre); Hada County, Dec. 23; Flint II (does not call at Havre), Jan. 8; Brant County, Jan. 20—all County Line.

*To Rotterdam.*—Hada County, Dec. 23; Flint II, Jan. 8; Brant County, Jan. 20—all County Line.

*To Hamburg.*—Beaverford, Jan. 13; Beavertdale, Feb. 10—both Canadian Pacific.

*To Marseilles, Genoa, Leghorn, Naples, Messina and Palermo.*—Capo Olmo, Jan. 13; Capo Lena, Feb. 17—both Capo Line (call at Lisbon if sufficient cargo offers).

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Nelson, Dec. 22; Lady Hawkins, Jan. 5; Lady Drake, Jan. 19—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad, Demerara and Paramaribo.*—Torungen, Dec. 21; a steamer, Jan. 4—both Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Kingston and Jamaican Outposts.*—Coppename, Dec. 20; Suriname, Jan. 3; Saramacca, Jan. 17—all United Fruit Co. (cargo accepted for Caribbean, Central and South American ports with transshipment at Kingston).

*To Brisbane, Sydney, Melbourne and Adelaide.*—Port Halifax, Dec. 21; Kaipara, Jan. 21—both Montreal-Australia-New Zealand Line (will also call at Geelong).

*To Auckland, Wellington, Lyttelton and Dunedin.*—Port Saint John, Jan. 11; City of Delhi (also calls at Bluff), Feb. 13—both Montreal-Australia-New Zealand Line.

*To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta, Manila, Hongkong and Daien.*—City of Salisbury, Dec. 29; Ernebank, Jan. 14; City of Sydney, Jan. 29—all Canada-India Service (cargo accepted for transshipment at Aden, call at other ports as cargo offers).

*To Cape Town, Port Elizabeth, East London and Durban.*—Dunkeld (also calls at Sierra Leone, Walvis Bay, Lourenco Marques and Beira), Dec. 26; Trentbank, Jan. 8—both Elder Dempster Lines Ltd.; a steamer Cosmopolitan Navigation Co., about Jan. 10.

### From Halifax

*To Liverpool.*—Montrose, Dec. 25 and Jan. 22; Montclare, Jan. 1; Duchess of Bedford, Jan. 8; Duchess of York, Jan. 15—all Canadian Pacific; Aurania, Dec. 26; Scythia, Jan. 9; Antonia, Jan. 23—all Cunard-White Star Line; Dromore, Jan. 4; Nova Scotia, Jan. 25—both Furness Line; Manchester Division, Manchester Line, Jan. 12.

*To London.*—Beaverhill, Dec. 24; Beavertdale, Dec. 31; Beaverbrae, Jan. 7; Beaverford, Jan. 14; Beaverburn, Jan. 21—all Canadian Pacific; Andania, Jan. 1; Ausonia, Jan. 15; Alaunia, Jan. 29—all Cunard-White Star Line.

*To Manchester.*—Manchester Regiment, Dec. 25; Manchester Commerce, Jan. 1; Manchester Port, Jan. 8; Manchester Brigade, Jan. 15; Manchester City, Jan. 22; Manchester Citizen, Jan. 29—all Manchester Line.

*To Glasgow.*—Delilian, Jan. 2; Sulairia, Jan. 15; Athenia, Jan. 29—all Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Kyno, Dec. 23; Consuelo, Jan. 5—both Ellerman's Wilson Line (do not call at Leith); Cairnross, Dec. 30; Cairnvalona, Jan. 6; Cairnesk, Jan. 13; Cairnglen, Jan. 27—all Cairn-Thomson Line.

*To Aberdeen and Hull.*—Kyno, Dec. 23; Consuelo, Jan. 5; Guido, Jan. 19—all Ellerman's Wilson Line.

*To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—Norwegian, Dec. 21; Dorelian, Dec. 31; Dakotian, Jan. 17—all Cunard-Donaldson and Dominion Lines; New York City, Jan. 8; Montreal City, Jan. 28—both Bristol City and Dominion Lines.

*To Antwerp.*—Beaverhill, Dec. 24; Beaverburn, Jan. 21—both Canadian Pacific.

*To Hamburg.*—Beaverford, Jan. 14; Beaverdale, Feb. 11—both Canadian Pacific.

*To Copenhagen and Gdynia.*—Batory, Gdynia American Line, Jan. 20.

*To Gothenburg.*—Blankaholm, Dec. 20; Lagaholm, Jan. 17—both Swedish-America-Mexico Line (also call at Scandinavian ports); Drottningholm, Swedish-American Line, Jan. 24.

*To St. John's, Nfld.*—Fort Amherst, Furness-Red Cross Line, Dec. 20, Jan. 3 and 17; Belle Isle (also calls at St. Pierre-Miquelon), Newfoundland-Canada SS. Ltd., Dec. 27 and Jan. 10; Portia, Dec. 29; a steamer, Jan. 12; Northern Ranger, Jan. 26—all Newfoundland Rys. and SS. Co; Dromore, Jan. 4; Nova Scotia, Jan. 25—both Furness Line.

*To Hamilton, Nassau, Kingston and Belize.*—Lady Rodney, Dec. 23; Cavelier (does not call at Hamilton or Nassau), Dec. 30; Lady Somers, Jan. 6; Cathcart (does not call at Hamilton or Nassau), Jan. 13—all Canadian National.

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Nelson, Dec. 30; Lady Hawkins, Jan. 13; Lady Drake, Jan. 27—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Torungen, Dec. 24; a steamer, Jan. 8—both Ocean Dominion SS. Corp. (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Puerto Rico, Barbados, Trinidad and Demerara.*—Chomedy, Jan. 8; Colborne, Jan. 22—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).

*To Santiago (Cuba) and Kingston (Jamaica).*—Lillemore, Dec. 29; Kirsten B., Jan. 12—both Pickford & Black Ltd. (also call at Jamaican outports as cargo offers).

*To Brisbane, Sydney, Melbourne and Adelaide.*—Port Halifax, Dec. 29; Kaipara, Jan. 29—both Montreal-Australia-New Zealand Line (will also call at Geelong).

*To Auckland, Wellington, Lyttelton and Dunedin.*—Kaikoura (also calls at Timaru and Bluff), Dec. 19; Port Saint John, Jan. 19—both Montreal-Australia-New Zealand Line.

*To Yokohama, Kobe, Hongkong, Manila, Cebu and Java.*—Chinese Prince, Dec. 20; Javanese Prince, Jan. 17—both Furness-Prince Line; Silveryew, Silver Line, Jan. 2.

### From Vancouver

*To Yokohama, Kobe and Osaka.*—Heian Maru, Dec. 25; Hikawa Maru, Jan. 11; Hiye Maru, Jan. 22—all Nippon Yusen Kaisha.

*To Yokohama, Kobe, Hongkong and Manila.*—Empress of Japan (calls Honolulu), Dec. 25; Empress of Asia (calls Nagasaki), Jan. 8; Empress of Canada (calls Honolulu), Jan. 22; Empress of Russia (calls Nagasaki), Feb. 19—all Canadian Pacific; Tyndareus, Jan. 6; Ixion, Feb. 3—both Blue Funnel Line (call at Miike but not at Manila).

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*To Port of Spain (Trinidad) and Bridgetown (Barbados).*—A steamer, Canadian Transport Co., early January.

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*To Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques, Beira, Colombo, Calcutta and Madras.*—Salawati, Jan. 4; Silverbelle, Feb. 4—both Silver-Java Pacific Line.

*To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.*—Leikanger, Dec. 29; Evanger, Jan. 25—both Empire Shipping Co.

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L. D. WILGRESS, *Director*

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No. 1769



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Terminal, Brooklyn, N.Y.

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THE HON. W. D. EULER, MINISTER OF TRADE AND COMMERCE

JAMES G. PARMELEE, DEPUTY MINISTER

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Vol. LVII

Ottawa, December 25, 1937

No. 1769

## MR. FRASER'S PROSPECTIVE VISIT TO BRITISH HONDURAS

Mr. F. W. Fraser, Canadian Trade Commissioner at Kingston, Jamaica, will leave for a visit to British Honduras on January 21. Canadian firms desirous of having Mr. Fraser investigate that market on their behalf should address their requests to P.O. Box 225, Kingston, Jamaica.

## CONDITIONS IN THE UNITED STATES LUMBER INDUSTRY

W. D. WALLACE, OFFICE OF THE CANADIAN TRADE COMMISSIONER

New York, N.Y., December 3, 1937.—The United States Lumber Survey Committee, in a recent report to the United States Secretary of Commerce, finds that the national lumber stocks at the beginning of October were about 6 per cent above those at this date last year, and that consumption has shown a slight increase during the period. The unfavourable supply-demand situation was partially mitigated by the large backlog of unfilled orders which accumulated as a result of the West Coast maritime strike last winter. However, these orders are almost filled, and in certain areas new orders have been drastically reduced. Exports and imports during the nine months of 1937 both showed gains over the corresponding period of 1936, while lumber stocks were slightly above those of January 1, 1937.

The weakness in the lumber industry in most districts is not in stocks but in the low point to which unfilled orders have declined and the continual general decline in new business. The trend of lumber prices, which was upward during the first six months of this year, declined in the third quarter but appeared to be arrested by October. The committee points out that the costs of lumber production have been steadily increasing and that mill prices of many species barely cover their costs. Stability of prices in the industry is very desirable, as dependable prices would aid a building revival which is much needed at the present time.

### LUMBER PRODUCTION

According to the United States Bureau of Census, lumber production in 1936 totalled 24,355,000 M feet, a gain of 24.6 per cent over the 1935 amount of 19,539,000 M feet. Reports from the mills indicate that the 1937 production will amount to about 25,750,000 M feet or approximately 5 per cent over that of 1936. The following table shows the production of lumber in the United States for the years 1933 to 1937:—

#### *United States Lumber Production*

Year	M. Feet	Year	M. Feet
1933.. . . . .	13,960,000	1936.. . . . .	24,355,000
1934.. . . . .	15,263,000	1937 (estimated).. . . . .	25,750,000
1935.. . . . .	19,539,000		

For the third quarter of 1937 lumber production was 11 per cent higher; on the other hand, business was 10 per cent below the average of the first and second quarters. Shipments of lumber were about the same as in the first quarter but were 13 per cent below those of the second quarter.

### PRICES

(The Southern Pine Exchange and the West Coast Lumbermen's Association were the only regional associations giving actual mill prices of lumber. Reports from other softwood producing regions give only a general idea of the price trend and offer no definite quotations.)

According to the Bureau of Labour Statistics, the lumber price index in September was 99 (1926 equals 100), the lowest since January and four points under the year's high of 103 in April and May. During the past nine months the prices at the mills of Southern pine lumber have ranged from \$29.97 per M board feet on January 1 to \$31.77 on April 1 and back to \$25.44 on October 1. The prices have remained above the 1936 average of \$24.48 per M board feet and the 1935 average of \$22.24. West Coast lumber (Douglas fir) prices have remained rather steady, the range being from \$22.12 per M board feet on January 1 to \$23.16 on July 1 and back to \$22.88 on October 1. These prices are well above the 1936 and 1935 averages of \$19.50 and \$17.28 respectively.

The West Coast lumber and Southern pine regions report that the general trend, which has been downward during the third quarter of this year, has been arrested, and it is expected that prices will remain steady during the fourth quarter. Ponderosa and Northern pine prices are expected to remain at present levels, although there has been very little fluctuation in these prices during the past six months. Hardwood prices have been about 10 per cent above those of a year ago; they reached their peak in the spring and have suffered a moderate decline since July.

### BUILDING SITUATION

The F. W. Dodge Corporation reports that building construction in the January-September period of 1937 was 19 per cent above the same period of 1936 as compared with 42.5 per cent in the first six months, measured in floor space contracted for the thirty-seven Eastern States. Total construction for the period was valued at \$2,308,000,000, which was 13 per cent over the figure for the similar period of 1936 in the thirty-seven Eastern States. Privately financed construction is averaging from 60 to 63 per cent of the total value as compared with 50 per cent in the previous year. The Bureau of Labour reports that building permits issued in 1,500 cities for the 1937 period show total construction valued at \$1,270,870,000, a gain of 13 per cent over the similar period of 1936. Residential building permits in these cities gained 12.3 per cent over 1936.

### EXPORTS

Total United States lumber exports for the January-September period of 1937 amounted to 1,128,080 M feet, a gain of 10 per cent over the exports of 1,015,272 M feet in the corresponding period of 1936. Softwood lumber exports for the nine-month period totalled 849,752 M feet and were 8 per cent over the 1936 exports for the like period. However, this increase was not steady and may be summarized as follows: Exports of softwood lumber and sawed timber in July and August were heavier than anticipated and reflect the heavy demand that reached its high point in May and June. Due to the Far Eastern situation, exports dropped considerably in September; softwoods amounted to 65,235 M feet compared with 117,287 M feet in July and 116,229 M feet in August. For the third quarter of 1937 exports of softwoods amounted to 298,751 M feet and were 8 per cent over the like quarter of 1936.



Hardwood lumber exports for the January-September period of 1937 totalled 278,328 M feet, a gain of 18 per cent over the corresponding period of 1936. For the third quarter hardwood lumber exports amounted to 78,096 M feet, a loss of 16 per cent from the second quarter and 27 per cent from the first quarter, the highest in seven years.

The following table shows the United States exports of softwood and hardwood lumber for the years 1934 to 1937:—

*Exports of Lumber from the United States, 1934-37*

Year	Total Softwoods Figures in	Total Hardwoods Thousands of	Grand Total Feet B.M.
1934 . . . . .	1,055,309	274,884	1,330,193
1935 . . . . .	995,374	294,022	1,289,396
1936 . . . . .	939,071	317,354	1,256,425
1937 (estimated) . . . . .	1,079,752	353,328	1,433,080

IMPORTS

The following table shows the United States imports of softwood and hardwood for the years 1934 to 1936 and for the first nine months of 1937:—

*United States Imports of Lumber*

	1934	1935	1936	Jan.-Sept., 1937
Softwoods—	Figures in Thousands of Feet B.M.			
Canada—	4,897	77,684	150,565	105,932
Fir and hemlock . . . . .	86,959	82,785	82,989	62,405
Pine . . . . .	124,088	153,653	252,380	214,025
Spruce . . . . .				
Total <sup>1</sup> . . . . .	221,181	321,905	500,919	393,119
Russia . . . . .	13,023	32,980	37,820	20,974
Other . . . . .	9,393	14,544	24,140	17,260
Total softwoods . . . . .	243,597	379,429	562,879	431,353
Hardwoods <sup>2</sup> . . . . .	43,290	58,212	92,154	87,698
Grand total . . . . .	286,887	437,641	655,033	519,051

<sup>1</sup> Total softwood imports from Canada include a small amount of other species of softwood lumber.

<sup>2</sup> Imports of hardwood include cabinet woods, sawn, largely from the Philippines, in addition to hardwood lumber.

For the first nine months of 1937 total lumber imports into the United States amounted to 519,051 M feet as compared with 500,881 M feet in the similar period of 1936, a gain of 3·5 per cent. Combined lumber and log imports gained 7 per cent during the period.

Softwood lumber imports for the January-September period of 1937 amounted to 431,353 M feet and were 1 per cent below the total of 435,666 M feet for the corresponding period of last year.

Total imports of softwoods from Canada in the period under review amounted to 393,119 M feet. Of this total, 214,025 M feet were of spruce, 62,405 M feet of pine, 105,932 M feet of Douglas fir and Western hemlock, and 10,757 M feet of other species of softwood lumber. Imports of Douglas fir and Western hemlock from Canada, which are subject to the reduced quota rate, from January 1 to October 2, amounted to 103,619,359 feet or 41·1 per cent of the annual allotment of 250,000,000 feet which may be imported under the quota. The United States Customs report that on October 30 the imports of Douglas fir and Western hemlock totalled 114,096,000 feet or 45·6 per cent of the quota allotment.

FACTORS AFFECTING IMPORTS

The decrease in the United States imports of Douglas fir and Western hemlock may be attributed to the especially heavy market in the United Kingdom

for these products, the fact that the freight rates from British Columbia to the Atlantic Coast are higher than the conference rates set for shipments from the West Coast of the United States to the Atlantic seaboard, and to the general decline in business conditions.

Imports of Russian softwoods totalled 20,974 M feet and were 23·4 per cent below the 27,390 M feet imported during the 1936 period.

Hardwood lumber imports into the United States, including sawn cabinet woods, in the first nine months of this year totalled 87,698 M feet or 33 per cent over those of the corresponding period of 1936.

#### LUMBER CONSUMPTION

The consumption in M feet board measure of lumber in the United States for the years 1934 to 1937 was as follows: 1934, 15,467,000; 1935, 19,306,000; 1936, 23,133,000; 1937 (estimated), 24,203,000.

As the volume of lumber movement advances, more lumber of the additional production is not shown in current consumption, as it is in transit, or in stocks in retailers' and consumers' yards, or in the hands of industrial buyers.

Lumber consumption in the United States for the first half of 1937 was 12,896,000 M feet, a gain of 15 per cent over the 11,210,000 M feet for the six-month period of 1936; in the third quarter of this year consumption was 6,150,000 M feet. It is anticipated that lumber consumption for the fourth quarter will be about 5,157,000 M feet, thus bringing the estimated consumption for 1937 to approximately 24,203,000 M feet, or 5 per cent above the 1936 consumption of 23,133,000 M feet.

#### FACTORS AFFECTING CONSUMPTION

Due to a general decline in furniture demand, the furniture manufacturers have restricted purchases in recent months, as they have a fair supply of lumber and other raw materials on hand. Many furniture factories are operating on short time due to the lack of new orders and low unfilled files. The outlook in this industry depends upon general business conditions and upon residential building.

In the automobile industry 1937 will rank next to 1929 in the volume of production, but the outlook for 1938 is less promising due to increases in prices and the large output of the past two years. A considerable amount of hardwood goes into automobile construction—about 6 per cent of the total hardwood output as compared with 15 per cent in 1929. The manufacturers of automobile trailers are creating a fair demand for plywoods and veneers of walnut, red gum, and Douglas fir.

Railroad orders for freight cars were very heavy during the first eight months of this year, and the total for the year may equal the number purchased in 1936, or 67,540 cars. However, there is no prospect that the heavy buying in the last two months of 1936 will be duplicated this year. Consequently the demand for lumber by this industry will likely decline during the remainder of the year.

The wooden box industry will probably show a slight decrease in 1937 as compared with 1936. This can be attributed to the fact that shipments of fruits and vegetables in the Far West have been lighter during the past year.

#### STOCKS

Mill stocks of softwoods on January 1, 1937, amounted to 5,943 million feet as compared with 5,735 million feet on January 1, 1936, a gain of 3·5 per cent. Hardwood stocks decreased by 6·4 per cent from 2,094 million feet to 1,959 million feet. Total lumber stocks on January 1, 1937, were 7,919 million feet, an increase of 0·9 per cent from the total of 7,847 million feet in the previous year.



Comparing stocks of January 1, 1937, with those of October 1, softwoods have increased 6.5 per cent from 5,943 million feet to 6,332 million feet; hardwoods recorded a gain of 4.3 per cent, from 1,959 million feet to 2,044 million feet; and total lumber stocks have increased 5.9 per cent, from 7,919 million feet to 8,394 million feet.

In the Southern pine region stocks have increased 14 per cent over figures for January 1, 1937. The West Coast stocks are 16.6 per cent below those of January 1; however, unfilled orders have been substantially reduced and extensive curtailment in production is expected. Western pine stocks have shown an increase of 12.1 per cent since January 1, although a decline in production and stocks is expected during the fourth quarter. Northern pine stocks have gained 7.7 per cent during the nine-month period, and reports indicate that there is still a shortage in the major items of this class.

## HAY IN THE LONDON AREA

H. L. BROWN, ASSISTANT TRADE COMMISSIONER

London, December 7, 1937.—Hay crop prospects for this season were summarized in a report published in *Commercial Intelligence Journal* No. 1749 (August 7). The crop was expected to be one of the largest on record, and these expectations have been realized.

The mixtures, clover, alfalfa, and sainfoin, were well up to the average and were harvested from a large acreage; clover was particularly good. Grass, too, was good in quality and was harvested in excellent condition. In short, the hay crops have been very good, and there will be more than sufficient to carry the trade over into another season, especially as, with the mild and open fall, little hay has been used on the farms.

### PRICES

At the present time prices are very low. The value on the farms is around £1 15s. per long ton for meadow hay and £2 to £2 5s. for clover and mixtures; the cost of delivery to market averages about £1 2s. 6d. per long ton. This situation may be expected to continue for some time, since supplies are considerably in excess of requirements and consumption. In fact dealers state that they have much larger quantities on hand than is usual at this time of year and, unless some unforeseen circumstances arise which might stop the movement of hay, they do not anticipate any increase in price in the near future.

Under these circumstances and with the prevailing freight rates, there is little possibility of Canadian hay finding any demand beyond occasional small parcels for special purchasers.

## TRADE OF THE WINDWARD ISLANDS IN 1936

G. A. NEWMAN, ASSISTANT TRADE COMMISSIONER

Port of Spain, Trinidad, December 8, 1937.—One hundred miles west of Barbados and lying in line at intervals of 58 and 68 miles respectively are the three Windward Islands of St. Lucia, St. Vincent, and Grenada, in order from north to south.

With areas measuring 233, 150, and 135 square miles, these three islands have respective populations of 60,026, 47,961, and 87,105, mostly coloured, who are dependent on agriculture in some form or other for their subsistence.

Sugar, coconuts, and fruits such as limes and bananas are common products, but the large revenue-producing crops differ for the individual islands. Thus in St. Lucia sugar, limes, and coconuts are the most important commercial crops;

in St. Vincent, arrowroot, cotton, and sugar; and in Grenada, nutmegs, mace, and cocoa.

Since the total value of the exports of such products seldom meets the cost of imports, in recent years at least the balance of trade has been unfavourable to the colonies. Total Windward Islands exports in 1936, valued at \$3,107,844 or 4.7 per cent of the total exports of the British West Indies (Eastern Group) and British Guiana, were \$558,656 below the imports, valued at \$3,666,500 or 5.9 per cent of the total imports for the general area. This unfavourable balance of trade in 1936 was the smallest in recent years, as shown in the following tables:—

## ST. LUCIA

	1932	1933	1934	1935	1936
Total imports . . . . .	£165,269	£167,010	£169,439	£196,128	£192,310
Total exports . . . . .	97,899	92,607	91,679	103,232	120,358
Balance . . . . .	£ 64,370	£ 74,403	£ 77,760	£ 92,896	£ 71,952

## GRENADA

	1932	1933	1934	1935	1936
Total imports . . . . .	£249,762	£221,120	£246,862	£276,016	£282,380
Total exports . . . . .	187,032	186,008	195,273	222,649	257,743
Balance . . . . .	£ 62,730	£ 35,112	£ 51,589	£ 54,367	£ 24,637

## ST. VINCENT

	1932	1933	1934	1935	1936
Total imports . . . . .	£111,221	£150,580	£164,969	£171,392	£174,861
Total exports . . . . .	96,654	112,265	129,833	134,922	152,980
Balance . . . . .	£ 14,567	£ 48,315	£ 35,136	£ 36,470	£ 21,881

## FINANCIAL CONDITIONS

Inasmuch as a very large share of the colonies' revenue is derived from customs and excise receipts, it is not surprising that there has been little if any surplus revenue over expenditures in recent years, the local revenue being supplemented in varying annual amounts by Imperial Grants-in-Aid, receipts from the Colonial Development Fund, and sales of land, which have assisted towards a balanced budget.

## EXPORTS

The three major markets for Windward Island products are Great Britain, the United States, and Canada. In 1936 the percentage distribution of total exports among these three countries was as follows:—

	St. Lucia	St. Vincent	Grenada
Total exports . . . . .	£120,358	£152,980	£257,743
Great Britain . . . . .	42.8%	33.6%	36.7%
Canada . . . . .	33.3%	12.1%	22.9%
United States . . . . .	9.7%	36.5%	28.2%

The principal products exported, with values, for the years 1936 and 1935, are listed below:—

	St. Lucia		Grenada		St. Vincent	
	1936	1935	1936	1935	1936	1935
Total . . . . .	£120,358	£103,232	£257,743	£222,649	£152,980	£134,922
Raw cocoa . . . . .	9,627	6,042	123,615	97,404	235	915
Bananas . . . . .	8,910	5,209	12,592	4,257	2,663	475
Coconuts . . . . .	9,608	7,632	394	196	8,969	10,215
Sugar . . . . .	60,358	48,377	.....	.....	3,961	6,406
Molasses . . . . .	1,132	2,401	.....	.....	7,900	6,182
Copra . . . . .	3,561	1,871	1,653	1,200	4,831	3,418
Charcoal . . . . .	3,667	3,265	.....	.....	.....	.....
Nutmegs . . . . .	134	63	61,617	56,754	375	378
Mace . . . . .	72	44	42,077	40,848	256	283
Limes . . . . .	6,977	8,035	71	148	154	166
Lime oil . . . . .	6,091	9,673	6,385	9,847	.....	.....
Raw cotton . . . . .	.....	.....	4,703	5,886	28,972	9,947
Arrowroot . . . . .	.....	.....	.....	.....	80,419	76,668
Cassava starch . . . . .	.....	.....	.....	.....	2,395	4,124



Canada was the largest market for cocoa, bananas, coconuts, fancy molasses and raw lime juice and the second largest market for sugar from St. Lucia. From Grenada exports to Canada comprised bananas, nutmegs, and raw cocoa, although the two latter items found their largest markets in Great Britain and the United States. Canada was the leading market for bananas and coconuts from St. Vincent, but followed Great Britain and the United States as a market for St. Vincent's major export product, arrowroot.

### IMPORTS

Imports into the Windward Islands consist mainly of necessities and those required for the maintenance of agricultural production.

Distribution of total imports according to countries of origin for the years 1935 and 1936 was as follows:—

	St Lucia		Grenada		St. Vincent	
	1936	1935	1936	1935	1936	1935
Total . . . . .	£192,310	£196,128	£282,380	£276,016	£174,861	£171,392
United Kingdom . . . . .	109,262	120,337	143,986	146,054	80,825	79,084
Canada . . . . .	26,118	27,517	39,742	31,507	31,934	31,385
United States . . . . .	14,946	24,872	25,484	24,060	22,292	23,642

A more detailed listing of imports for the year 1936, according to leading countries of origin, into the individual islands is as follows:—

#### *Chief Imports into St. Lucia, 1936*

	Total	United Kingdom	Canada	United States	Other Countries
Flour . . . . .	£17,348	£ 1,137	£16,202	.....	£ 9
Salted and dried fish . . . . .	6,576	.....	2,169	.....	4,407
Edible oils . . . . .	6,187	6,032	.....	.....	153
Cigarettes . . . . .	2,882	2,881	.....	£ 1	.....
Coal . . . . .	34,311	34,311	.....	.....	.....
Apparel, except shirts and ties	3,314	1,149	116	330	1,696
Rubber footwear . . . . .	1,975	52	95	5	1,823
Boots, etc. . . . .	2,543	573	3	78	1,889
Motor cars . . . . .	2,510	1,002	1,275	233	.....
Cotton piece-goods . . . . .	17,393	14,584	.....	2,385	424
Hats, etc. . . . .	2,428	1,729	27	71	601
Sugar machinery . . . . .	3,684	3,613	.....	71	.....
Manures . . . . .	2,872	654	.....	2,182	.....
Medicines and drugs . . . . .	2,988	1,860	144	779	205
Iron and steel . . . . .	2,051	1,481	348	17	205
Soap, common . . . . .	2,898	2,879	.....	4	15

Other items of import which are of interest to Canadian shippers, with total values for 1936, and values of imports from Canada, are as follows: unsweetened biscuits (£735), £179; table butter (£1,023), £496; cheese (£571), £513; nuts, salted or pickled (£726), £146; meats, smoked (£748), £111; unmanufactured tobacco (£1,109), £387; fresh vegetables (£409), £276; shooks and staves (£1,577), £553; motor car parts (£1,311), £509; hosiery (£815), £117; paints (£1,026), £246.

#### *Chief Imports into St. Vincent, 1936*

	Total	United Kingdom	Canada	United States	Other Countries
Flour . . . . .	£18,615	£ 2,788	£15,760	£ 2	.....
Butter . . . . .	2,697	1,869	126	.....	.....
Herring and cod . . . . .	5,348	.....	758	.....	£ 4,590
Lumber, dressed . . . . .	5,454	.....	2,276	2,879	.....
Barrels and puncheons . . . . .	6,833	222	1,655	4,956	.....
Cement . . . . .	2,720	2,083	637	.....	.....
Machinery . . . . .	3,997	2,247	251	.....	1,233
Cotton piece-goods . . . . .	14,661	12,111	.....	2,466	.....
Artificial silk and cotton piece-goods . . . . .	2,195	1,570	42	24	.....
Boots and shoes . . . . .	2,736	2,002	34	171	529
Soap . . . . .	2,622	2,483	42	47	.....
Motor cars and trucks . . . . .	3,178	1,831	1,868	63	.....
Canvas shoes, rubber-soled . . . . .	2,328	41	1,132	2	884
Fertilizers . . . . .	3,243	2,257	.....	986	.....
Cigarettes . . . . .	4,039	4,039	.....	.....	.....

Other products imported from Canada, with total values for 1936 within parentheses, are as follows: shooks, staves, and headings (£1,440), £1,438; wire nails (£534), £483; silk hosiery (£112), £109; drugs (£1,908), £234; wrapping paper (£726), £263; motor car tires and tubes (£1,790), £1,002.

*Chief Imports into Grenada, 1936*

	Total	United Kingdom	Canada	United States	Other Countries
Flour . . . . .	£37,647	£19,855	£17,618	£ 3	£ 191
Bread and cakes, unsweetened..	3,579	68	402	48	2,534
Butter . . . . .	4,186	1,979	73	.....	2,234
Dried fish . . . . .	9,797	9	3,227	.....	6,439
Lard substitutes . . . . .	3,710	3,689	6	15	.....
Pickled meats . . . . .	2,645	141	217	1,529	855
Smoked meats.. . . .	2,549	876	114	1,032	527
Sugar, refined.. . . .	3,997	3,804	193	.....	.....
Cigarettes . . . . .	2,957	2,955	.....	1	.....
Lumber . . . . .	9,969	.....	4,201	5,622	146
Electrical goods . . . . .	3,555	2,148	62	1,327	17
Hardware . . . . .	5,414	3,623	250	569	970
Manures . . . . .	3,550	1,617	.....	928	1,005
Medicines . . . . .	3,858	2,449	492	695	221
Iron and steel.. . . .	5,138	4,299	544	50	246
Paper . . . . .	2,842	907	306	821	806
Soap, common . . . . .	4,485	4,255	.....	229	1

Other products imported from Canada, with total import values within parentheses, were as follows: cheese (£1,098), £888; canned fish (£810), £584; pickled fish (£729), £662; potatoes (£442), £306.

**TRADE OF HONGKONG, JANUARY TO SEPTEMBER**

V. E. DUCLOS, CANADIAN TRADE COMMISSIONER

(HK\$1 is taken as equal to 31 Canadian cents)

Hongkong, November 10, 1937.—The total trade of Hongkong for the first three quarters of 1937 amounted to HK\$789,800,000 as against HK\$563,900,000 for the corresponding period of 1936.

Imports were valued at HK\$457,036,000 as compared with HK\$318,987,000 for the same period of 1936; exports were valued at HK\$332,731,000 as against HK\$244,969,000.

The values of imports by principal contributing countries for the respective three quarters of 1937 and 1936 are given in the following table:—

*Imports into Hongkong by Countries*

	Jan.-Sept., 1937	Jan.-Sept., 1936
	Thousands of Hongkong Dollars	
United Kingdom . . . . .	\$34,051	\$20,873
Australia . . . . .	9,837	6,048
Burma . . . . .	9,071	478
Canada . . . . .	4,539	2,896
Ceylon . . . . .	279	301
British East Africa . . . . .	458	249
India . . . . .	4,454	3,000
British Malaya . . . . .	7,301	4,955
New Zealand . . . . .	187	145
British North Borneo . . . . .	1,745	1,439
South Africa . . . . .	553	189
Belgium . . . . .	8,519	5,351
North China . . . . .	64,006	46,856
Middle China . . . . .	8,418	5,179
South China . . . . .	77,052	52,880
France . . . . .	2,184	1,367
Indo-China . . . . .	33,413	19,004



	Jan.-Sept., 1937	Jan.-Sept., 1936
Thousands of Hongkong Dollars		
Germany . . . . .	23,863	19,112
Holland . . . . .	5,566	1,963
Italy . . . . .	1,738	170
Japan . . . . .	51,376	38,382
Kwong Chow Wan . . . . .	4,994	4,229
Macao . . . . .	6,940	4,634
Norway . . . . .	717	324
Netherlands East Indies . . . . .	37,702	24,346
Philippines . . . . .	2,108	943
Siam . . . . .	18,479	23,910
South America . . . . .	1,195	170
Sweden . . . . .	1,284	2,115
Switzerland . . . . .	637	217
Spain . . . . .	133	237
United States . . . . .	30,279	25,279

The percentage shares of the import trade of Hongkong credited to each of the chief countries of supply for the January to September period of 1937, comparative percentages for the corresponding period of 1936 being given within parentheses, were: China, 32.7 (32.9); Japan, 11.2 (12); Netherlands East Indies, 8.2 (7.6); United Kingdom, 7.5 (6.6); United States, 6.6 (7.9); Indo-China, 7.3 (6); Siam, 4 (7.5); Germany, 5.2 (6); British Malaya, 1.6 (1.6); India, 1 (0.9); Australia, 2.2 (1.9); Belgium, 1.9 (1.7); Canada, 1 (0.9).

### *Exports from Hongkong by Countries*

	Jan.-Sept., 1937	Jan.-Sept., 1936
Thousands of Hongkong Dollars		
United Kingdom . . . . .	\$15,322	\$ 8,741
Australia . . . . .	1,873	1,229
Burma . . . . .	2,627	1,810
Canada . . . . .	1,820	1,410
Ceylon . . . . .	905	612
India . . . . .	3,900	3,561
British Malaya . . . . .	28,471	18,044
New Zealand . . . . .	569	406
British North Borneo . . . . .	1,140	725
South Africa . . . . .	908	608
British West Africa . . . . .	1,411	711
British West Indies . . . . .	4,338	2,380
Belgium . . . . .	685	1,009
North China . . . . .	24,924	17,753
Middle China . . . . .	20,148	15,627
South China . . . . .	88,938	71,003
Central America . . . . .	1,368	1,241
France . . . . .	2,409	2,947
Indo-China . . . . .	18,653	12,422
Germany . . . . .	5,395	2,535
Holland . . . . .	2,262	1,257
Japan . . . . .	17,754	11,620
Kwong Chow Wan . . . . .	7,359	7,308
Macao . . . . .	11,285	9,363
Netherlands East Indies . . . . .	11,714	6,313
Philippines . . . . .	10,417	8,668
Siam . . . . .	11,603	10,702
South America . . . . .	1,963	1,795
United States . . . . .	26,719	19,479

The percentage distribution of exports by principal countries for the January to September period of 1937, comparative percentages for the corresponding period of 1936 being given within parentheses, were: China, 40.3 (42.6); British Malaya, 8.6 (7.4); Indo-China, 5.6 (5.1); Japan, 5.3 (4.7); Macao, 3.4 (3.8); Siam, 3.5 (4.4); United States, 8 (8); Kwong Chow Wan, 2.2 (3); Netherlands East Indies, 3.5 (2.6); Philippines, 3.1 (3.5); India, 1.2 (1.4).

## IMPORTS AND EXPORTS BY MAIN GROUPS

Increases in the imports into Hongkong during the first nine months of 1937, as compared with the corresponding period of 1936, occurred in twenty of the twenty-three main groups, as follows: live animals, building materials, chemicals and drugs, Chinese medicines, dyeing materials, foodstuffs, fuels, hardware, liquors, manures, metals, minerals and ores, nuts and seeds, oils and fats, paints, paper and paperware, piece-goods, railway materials, wearing apparel, and sundries.

Increases in exports occurred in twenty-one of the twenty-three main groups, as follows: live animals, building materials, chemicals and drugs, Chinese medicines, dyeing materials, foodstuffs, fuels, hardware, liquors, machinery and engines, manures, metals, minerals and ores, nuts and seeds, oils and fats, paints, paper and paperware, piece-goods, vehicles, wearing apparel, and sundries.

## BUSINESS CONDITIONS

The considerable increase in the visible trade of Hongkong during the period under review is not entirely the result of improved trade conditions; the situation, particularly in regard to imports, has been definitely abnormal since the month of August when the hostilities began in Shanghai.

Large quantities of cargo, originally destined for North China, were diverted to this port, either for disposal or storage until such time as shipment could be made to Shanghai.

While the influx of refugees from North and South China served as a stimulus to the retail trade of the Colony, the difficulty of transportation to inland points, as a result of military operations, seriously affected the business of wholesalers, who in normal times depend on business from inland cities and the outports.

There are considerable stocks of all types of commodities awaiting shipment to Shanghai, and if this is not possible in the near future, it is likely that shippers will endeavour to dispose of these cargoes locally, with a consequent disruption of the general import trade.

Local exporters have also suffered on account of their inability to meet their overseas commitments, owing to the difficulty of securing supplies from the interior.

## TRADE WITH CANADA

Imports from Canada into Hongkong during the first three quarters of 1937 amounted to U.S.\$1,407,090, as against U.S.\$1,216,320 for the corresponding period of 1936.

The principal imports from the Dominion, together with values in United States dollars, for the period under review were:—

Wheat flour, \$462,771; printing paper, \$228,796; motor cars, \$149,681; fish and fishery products, \$89,162; American pine, \$77,540; pig lead, \$61,105; manures (sulphate of ammonia), \$43,320; rubber tires (motor outer), \$29,776; printing and lithographic materials, \$28,870; evaporated milk, \$24,837; brass bars, \$19,051; cattle, \$16,204; motor lorries (chassis), \$15,563; fruits, all kinds, \$14,535; metals n.o.p., \$13,279; fodder, \$12,903; timber n.o.p., \$12,399; miscellaneous foodstuffs, \$10,945; shooks and staves for barrel-making, \$10,288; toys and games, \$5,277; meat and fish (tinned and potted), \$4,864; agar agar, \$4,536; fresh fish, all kinds, \$3,923; spirits (brandy, whisky, and gin), \$3,790; electrical accessories, \$3,574; vegetables (tinned and bottled), \$3,513; softwood n.o.p., \$3,375; wrapping paper, \$3,172; paints n.o.p., \$2,798; vermicelli, \$2,587; machinery, \$2,583; dried fruits, \$2,551; dried milk, \$2,480; musical instruments, \$2,465; oatmeal, \$2,390; zinc or spelter n.o.p., \$2,356; rubber tires (motor inner), \$2,182; manufactured rubber, \$1,982; wearing apparel, \$1,890; flour n.o.p., \$1,853; leather, upper, \$1,829; barley, \$1,710; boots and shoes (canvas and rubber), \$1,479; paperware, \$1,460; biscuits, \$1,402; felt and felt sheathings, \$1,290; coffee, \$1,153; vegetable oil, \$1,125; sole leather, \$1,054; motor accessories, \$996.



## TRADING WITH CZECHOSLOVAKIA

J. C. MACGILLIVRAY, CANADIAN TRADE COMMISSIONER

[One Czechoslovak crown (Kc.) equals \$0.035; one metric ton equals 2,204 pounds; one hectare equals 2.47 acres]

Hamburg, December 7, 1937.—The Czechoslovak Republic, which came into existence with the revolution of October 28, 1918, is one of the most important of the so-called Succession States of the former Austro-Hungarian Empire. An elongated wedge in the heart of Central Europe, with an east and west axis, it has a length of 594 miles and a width which varies from 175 to less than 45 miles. The total area is 54,190 square miles, about twice that of the Province of New Brunswick. It is bounded on the north by Germany and Poland and on the south by Roumania, Hungary, and Austria. The eastern and western extremities protrude respectively into Roumania and Germany. Territorially the country is subdivided into five provinces: Bohemia, Moravia, and Silesia (which are now united under one administration), Slovakia, and Ruthenia.

### TOPOGRAPHY AND CLIMATE

About two-thirds of the area of Czechoslovakia is rolling and hilly. The highest mountains are in the Tatra Range in Slovakia, some peaks rising to over 8,000 feet. Climatically the country is transitional from oceanic to continental, but due to variations in altitude and exposure there is a lack of uniformity which, from the point of view of agriculture, is of importance. In the sheltered valleys of the Moldau and Elbe grape vines are cultivated and corn and fruits ripen; in general the lower slopes and plains afford a striking contrast to the raw and rainy highlands.

Precipitation is distributed advantageously over the whole country, with fully two-thirds of the total falling in the spring and summer months. Heavy winter snowfalls are common in the mountains, and each year inland navigation is usually interrupted by ice for from six to eight weeks.

Relief and climate combine to make Czechoslovakia one of the most heavily wooded countries in Europe, about a third of the area being covered with forest consisting of 55 per cent conifers, 30 per cent deciduous trees, and the balance mixed woodland.

### POPULATION AND LANGUAGE

According to the most recent estimates, the population of the country is 15,122,000. The greatest density is in the west, with over half of the total in Bohemia. Of the aggregate about 9,757,000 are Czechoslovaks, 3,318,000 Germans, 720,000 Hungarians, 569,000 Ruthenians, 205,000 Jews, and 100,000 Poles.

Praha (Prague), the capital and largest city, has a population of about 950,000. Brno, the capital of Moravia, is in second place with about 265,000 inhabitants, while Bratislava, the capital of Slovakia and Czechoslovakia's principal port on the Danube, is third with a population of 160,000.

The standard of living is highest in the advanced agricultural and industrial regions of Bohemia and parts of Moravia and Silesia, which have naturally gravitated towards the North Sea, but lower in the east where the pull has been towards the Danube and the less progressive pastoral and agricultural regions of Eastern Europe.

In comparison with other Central European states the use of such amenities as the telephone and automobile is considerable. In 1936 there was a total of 186,312 telephone installations, or about one per eighty of population. At the close of 1935 the registration of motor vehicles comprised 91,797 passenger cars, 29,616 trucks, and 3,942 buses.

The dominant religion is Roman Catholicism, which is professed by over 75 per cent of the population. Protestant sects account for about 8 per cent,

with most of the small balance being made up of Greek Catholics, adherents of the Czechoslovak Church, and Jews.

The principal languages are Czech, Slovakian, and German. The standard of literacy is high.

#### NATURAL RESOURCES

Apart from its forest wealth and rich agricultural lands, Czechoslovakia has important deposits of lignite and coal. In 1936 the production of lignite was 16,070,000 metric tons and of coal approximately 12,352,867 tons. Iron ore is also mined, the output in 1935 having been 731,000 tons, which supplied, roughly, one-half of the country's requirements. Other mineral products include manganese, pyrites, mercury, antimony, lead, silver, zinc, salt, graphite, and china clay. There is also a small production of oil and naphtha. The extent and variety of the natural resources have an important influence on the type, location, and strength of the country's industries.

#### INDUSTRY

The Czechoslovak Republic took over more than four-fifths of the industrial resources of the former Austro-Hungarian Empire and is therefore one of the leading manufacturing countries of Europe, the volume of its output of finished goods being exceeded only by their diversity. Out of the total population some 5,250,000 are engaged in industry as against about 5,200,000 in agriculture and forestry and, roughly, 2,050,000 in commerce, transportation, and banking.

It is estimated that there is a total of 720,000 industrial establishments in the country, of which 378,015 are actually engaged in manufacturing. One of the most important is the textile group with 39,953 establishments and 360,107 employees. If the metallurgical industries were taken collectively they would occupy first place, comprising as they do 35,095 plants engaged in the production of iron and steel and products thereof, and 8,742 working other metals, employing respectively 212,216 and 178,751 hands. Other leading industries in order of importance are building, foodstuffs and beverages, wood-working, clothing, shoes, glass, chemicals, paper-making, and flour-making.

The metal goods which are turned out include an extremely wide variety of articles, ranging from structural steel and railway equipment to boilers, automobiles, machinery, pumps, turbines, household utensils, and small miscellaneous articles such as hand tools and nails and tacks.

Beet sugar is chief among the more important industries based on agriculture, although its output has declined considerably in recent years. Czechoslovak beer is known all over the world, while the production of furniture, wooden articles, and pulp and paper owe their dominance to the abundance of raw materials.

One of the largest shoe factories in the world is located in Czechoslovakia, while, apart from shoes, almost all other types of leather goods are produced.

In the textile industry the most important is the manufacture of cotton goods, including all kinds of fabrics. The wool industry turns out most varieties of cloths, shawls, covers, furniture material, and also carpets. The manufacture of socks, stockings, and underclothes is increasing in importance, as is also that of natural and artificial silk. Jute fabrics, bags, packing and jute yarns are important articles in the export trade.

Other noteworthy manufactures include chemicals, pharmaceutical products, rubber and asbestos goods, explosives, electric equipment, radios, and, in fact, almost everything which can be turned out in a country with a manufacturing tradition and a high degree of efficiency.

#### AGRICULTURE

Agriculture ranks almost equal in importance to industry in providing employment and as a source of national wealth. Nearly 60 per cent of the total



area of the country is agricultural land, of which 70 per cent is classified as being arable. Apart from supplying the domestic market with an ample quantity of foodstuffs there is in some products an export surplus.

About 60 per cent of the arable land is sown with cereals, of which rye and wheat are the principal crops. Until recently wheat imports were required, but as a result of expansion in the area under cultivation, due largely to a contraction in sugar beet production, there is now an export surplus of wheat. Other leading agricultural products are barley, hops, potatoes, sugar beets, linseed, and fruit.

STATE CONTROL

Since 1934 Czechoslovak agriculture has been operating on a system of planned economy, with a high degree of state control guiding its operations. It was in that year that the Grain Monopoly was founded, which dominates the trade and production of cereals, feedstuffs, and similar products and assures the producer of a guaranteed price for his crops.

According to the latest census of landed properties, most of the agricultural holdings are of small extent, 42·7 per cent of all farms having only from 1 to 5 hectares of land, 28·1 per cent less than 1 hectare, and 15·7 per cent from 5 to 10 hectares. An agrarian reform law enacted after the War resulted in the breaking up of most of the large estates.

In 1937 a total of 1,395,300 metric tons of wheat were produced in comparison with 1,512,800 tons in 1936. Rye production in these years was 1,486,600 tons and 1,436,400 tons respectively. In 1936 the livestock population included 4,283,071 head of cattle and 2,744,745 hogs. Smoked meats, particularly hams, are an important export item.

FOREIGN TRADE

While the Czechoslovak Republic took over the greater part of the industrial equipment of the old Austro-Hungarian Empire, these same manufacturing areas, by virtue of the post-war peace treaties, lost about two-thirds of their former internal market, which up to 1918 had a population of 51,390,000. For this reason Czechoslovakia is to-day one of the world's most important exporting countries, with a foreign trade based on an exchange of manufactured goods for industrial raw materials, 52·2 per cent of the imports and 67·6 of the exports belonging to these categories.

In 1936 imports were valued at approximately \$300,540,000 and exports at \$307,270,000. Trade with Germany amounted to 19 per cent of the total, with the United States 7·6 per cent, with the United Kingdom 7·5 per cent, Austria 6·7 per cent, France 5·1 per cent, and Switzerland 4·3 per cent.

In 1936 the most important articles of import, together with their values in thousands of crowns, were as follows:—

Principal Imports in 1936

	1,000 Kc		1,000 Kc
Cotton . . . . .	765,018	Silk and silk goods . . . . .	283,448
Wool . . . . .	728,419	Machinery and accessories . . . . .	266,407
Vegetables, fruits and plants . . . . .	475,836	Fats . . . . .	254,961
Non-precious metals . . . . .	460,418	Animals . . . . .	237,496
Animal products . . . . .	439,534	Flax, jute and hemp . . . . .	236,250
Iron and ironware . . . . .	338,515	Mineral oil . . . . .	227,777
Minerals . . . . .	291,404	Tropical fruits . . . . .	140,800

During the same period the principal exports, in thousands of crowns, were as appended:—

Principal Exports in 1936

	1,000 Kc.		1,000 Kc.
Iron and ironware . . . . .	1,009,802	Leather and leather goods . . . . .	460,039
Cotton threads and fabrics . . . . .	707,186	Coal . . . . .	420,777
Glass and glassware . . . . .	609,163	Wood . . . . .	366,828
Woollen threads and fabrics . . . . .	539,059	Fashioned goods . . . . .	353,335

*Principal Exports in 1936—Concluded*

	1,000 Kc.		1,000 Kc.
Silk and silk goods . . . . .	339,387	Machinery and accessories . . . . .	247,353
Cereals, malt, flour, etc. . . . .	306,745	Flax, hemp and jute products . . . . .	230,358
Non-precious metals and products thereof . . . . .	291,386	Pottery . . . . .	182,422
Vegetables, fruits and plants . . . . .	260,331	Animal products . . . . .	162,428
Paper and paper goods . . . . .	254,598	Sugar . . . . .	147,501

The volume and direction of Czechoslovakia's foreign trade is influenced by clearing arrangements, principally with countries in Europe where exchange transfer restrictions exist. As a partner in the Little Entente there is also a political affiliation with Yugoslavia and Roumania, which is not without its influence on trade relationships.

## TRADE WITH CANADA

In the fiscal year ended March 31, 1937, exports to Canada from Czechoslovakia were valued at \$2,364,982. The leading commodities involved were leather and leather goods, cotton products, window glass, other glass products, tableware, silk and silk products, and woollen goods.

During the same period direct imports from Canada into Czechoslovakia were valued at \$193,978. Additional goods of Canadian origin are imported indirectly through other countries but their extent is indeterminable. The principal products imported from Canada are aluminium, rubber tires and tubes, skates, rags, furs, canned fish, and farm machinery.

According to the Czechoslovak trade returns for 1936, 0.2 per cent of the country's total imports came from and 0.5 per cent of the exports went to Canada.

## TRADE PROSPECTS

Owing to the volume and diversity of Czechoslovakia's production of agricultural and industrial goods, coupled with the high transportation costs in comparison with those from near-by European countries, the possibilities of increasing imports from Canada are limited. Up to 1934 there were substantial purchases of Canadian flour and wheat, but with the increase in domestic production to a point above the country's requirements this profitable market was lost.

Such openings as now exist are confined to raw materials and certain specialized articles not produced locally or produced in insufficient quantities. The demand for high-priced luxury goods is small.

## BUSINESS METHODS

The monetary unit of Czechoslovakia is the crown (written Kc.). On October 9, 1936, its gold content was fixed at 31.32 milligrams of fine gold; since then its value has been the equivalent of about \$0.035 or some Kc.28.50 to the dollar. Prices may be quoted in dollars or sterling. The metric system of weights and measures is in use.

The postage rate on letters from Canada is 5 cents per ounce; on short-posted mail the recipient has to pay a fine equal to three times the amount due. The weight limit on parcel post shipments is 20 pounds. In addressing letters and telegrams the Czechoslovak names of the cities should be used. While the knowledge of English is increasing, French or German is more widely understood and is preferable for commercial correspondence.

Foreign exporters in some cases extend credits to established connections, but the usual terms of sale are cash against shipping documents. Credit information is obtainable through the banks or commercial agencies such as R. G. Dun & Company, who have a branch in Prague.

When trading with Czechoslovakia it is preferable to conduct transactions through the medium of a Czechoslovak agent rather than a middleman



in a third country. Business methods as regards the employment of an agent or importer depend on trade practice and the nature of the commodity involved. In view of the import restrictions which exist, sellers should make sure, before making shipment, that their buyers are in possession of the necessary import permit.

#### TRANSPORTATION

While Czechoslovakia is an inland state with no seaport, its inland waterways give it access to both the North and the Black Seas via the Elbe and the Danube. As far as North American trade is concerned the largest volume of the exports and imports move via Hamburg, although Bremen, Rotterdam, and Antwerp also handle some of the traffic. Unless instructions have been received to the contrary, quotations should be submitted c.i.f. Hamburg.

Both road and rail transport within the country are well developed. There are about 8,280 miles of railroad, most of which is state-owned.

Packing should be sufficiently secure to protect merchandise from damage when transferred to river barge or railroad car for the inland haul from the seaboard, during which several transshipments may be necessary before the final destination is reached.

#### CUSTOMS TARIFF AND IMPORT RESTRICTIONS

Import duties in Czechoslovakia are protective and are specific rather than ad valorem in their application.

There are no globular or national quotas, but about 30 per cent of the articles listed in the tariff can only be imported subject to permit. These permits are customarily valid for a period of three months, but they are subject to renewal. The commodities which are subject to permit restrictions are principally luxury goods or lines competing directly with domestic products.

Purchase of foreign exchange for the payment of imports is also restricted, but in practice funds are readily granted for bona fide requirements. The position of trade balances influences the granting of exchange, but with countries such as Canada, where there is an excess of exports over imports, there are no difficulties or delays.

By virtue of the Czechoslovak-Canadian Convention of Commerce of 1928, Canadian merchandise when imported into Czechoslovakia is granted most-favoured-nation treatment, which includes the conventional duty rates.

#### DOCUMENTATION OF SHIPMENTS

In addition to the ordinary shipping documents, a government order of February 26, 1937, provided that, after May 1, 1937, certain merchandise destined for Czechoslovakia, when the value is in excess of Kc.1,000, must be accompanied by a certificate of origin. These certificates may be issued by a Chamber of Commerce or a similar institution and must bear the endorsement of a Czechoslovak Consular Officer in the country of origin. In Canada there is a Czechoslovak Consulate General in Montreal and a Consulate in Toronto.

The certificates in question must contain the following information:—

Address of the exporter.

Description of goods.

Quantity in kilograms (1 kilogram equals 2.2 pounds).

Description of packing.

Price f.o.b. or c.i.f. or such price which the exporter has stated in the statistical declaration or in the document replacing such statistical declaration for statistical purposes in the original country of production (usually an oversea country).

Name of the port and date of shipping.

Name of the ship.

Number of the shipping certificate.

Certificate or notification that the goods will be sent on to Czechoslovakia from the European port, or at least a certificate that the goods in the country of origin were shipped to a European port as their destination.





Cattle, n.o.p.— Weighing less than 175 lbs. (a).....No.		295	3,791	2,752	49,209		96,863	1,438,807 24c. per lb., if less than 175 lbs. 24c. per lb., if less than 175 lbs. on imports in excess of 51,933 head during any calendar year.	14c. per lb., if less than 175 lbs. 24c. per lb., if less than 175 lbs. on imports in excess of 51,933 head during any calendar year.
Weighing 175 to 700 lbs. (a).....No.		5,143	124,161	4,035	92,573	221,377	27,448	676,001 24c. per lb., if 175 to 700 lbs. 10,964,378 3c. per lb., if over 700 lbs.	175 lbs. lbs.
Weighing over 700 lbs. (a).....No.		1,138	38,507	1,798	81,484	8,044,053	163,302		3c. per lb., if over 700 lbs., on imports in excess of 155,799 head during any calendar year.
Horses, n.o.p.....No		908	101,837	487	53,360	16,690	10,034	1,279,167 \$20 per head, if valued at not more than \$150; 20% ad val. if valued more than \$150.	\$20 per head, if valued at not more than \$150; 20% ad val. if valued more than \$150.
Poultry, n.o.p.....No.		24,298	14,287	203,788	143,698	334,814	185,846	729,150 8c. per lb., if chickens, ducks, geese, turkeys, and guineas.	4c. per lb., if chickens, ducks, geese, turkeys, and guineas.
Fish, fresh and frozen—									
Clams, fresh.....Cwt.		5,215	8,898	5,713	5,268	37,520	45,117	56,960 Free.	Free.
Clams, fresh and frozen.....Cwt.		1,801	6,963	3,413	27,272	4,693	6,978	53,254 1c. per lb.	1c. per lb.
Halibut, fresh and frozen.....Cwt.		4,159	36,556	1,395	14,379	45,199	412,664	444,565 2c. per lb.	2c. per lb.
Herring, sea, fresh and frozen.....Cwt.		20,310	17,715	15,709	282,734	248,804	194,018	156,647 Free.	Free.
Salmon or lake trout, fresh and frozen.....Cwt.		6,987	72,898	6,493	70,437	44,011	48,866	532,647 1c. per lb.	1c. per lb.
Lobsters, fresh.....Cwt.		1,015	32,189	1,480	31,610	91,551	104,524	2,277,239 Free.	Free.
Oysters, fresh.....Cwt.		87	3,360	50	1,198	92,708	1,358	2,099 Free.	Free.
Salmon, fresh and frozen.....Cwt.		13,968	29,671	7,571	40,250	691,858	63,890	534,508 2c. per lb.	14c. per lb.
Smelts, fresh and frozen.....Cwt.		4,316	48,068	4,012	50,626	70,931	45,416	411,116 Free.	Free.
Swordfish, fresh and frozen.....Cwt.		1	10	50	961	21,552	270,862	203,206 2c. per lb.	14c. per lb., if not frozen; 3c. per lb., if frozen.
Tulibee, fresh and frozen.....Cwt.		773	4,856	68	415	16,040	95,929	32,913 1c. per lb.	3c. per lb., if frozen.
Whitefish, fresh and frozen.....Cwt.		9,284	154,279	9,014	157,766	108,153	1,319,899	1,468,704 1c. per lb.	1c. per lb.
Fish, pickled, salted, and smoked—									
Alwives, salted.....Cwt.		3	18	844	1,284	2,585	15	44 14c. per lb., net weight.	14c. lb., if boned.
Herring, sea, smoked.....Cwt.		934	6,275	844	11,104	44,763	7,156	32,623 3c. lb. if boned.	14c. lb., if boned.
Salmon, pickled.....Cwt.		379	5,693	32	2,021	27,708	6	11c. per lb., not boned.	1c. per lb., not boned.
Fish, canned—								110 25% ad val.	20% ad val.
Clams, canned.....Cwt.					344	151	1,683	544 23% ad val., if razor clams; 35% ad val., if other kinds.	15% ad val., if razor clams; 35% ad val., if other kinds.
Lobsters, canned.....Cwt.		678	40,492	460	26,884	5,582	345,312	309,966 Free.	Free.
Fur skins, undressed—									
Beaver.....No.		1,643	13,220	264	1,782	38,657	39,119	598,027 Free.	Free.
Mink.....No.		5,818	105,251	364	5,730	101,512	62,677	320,224 Free.	Free.
Nuskrat.....No.		20,786	25,620	1,189	1,254	481,108	199,502	285,032 Free.	Free.
Wolf.....No.		657	5,560	259	2,496	321,182	32,622	407,583 Free.	Free.
Leather—									
Harness leather.....					40	517,912	2,559	121% ad val.	10% ad val.
Patent leather.....			4,340		983	186,748	2,582	15% ad val.	10% ad val.

(a) Not separately shown prior to April 1, 1936.

(b) Includes "certified seed potatoes" prior to April 1, 1936.

## CANADA'S DOMESTIC EXPORTS TO THE UNITED STATES OF PRINCIPAL COMMODITIES, Etc.—Concluded

Commodities	Month of November				Eleven Months ended November				United States Tariff	
	1936		1937		1936		1937		1935	Canada-United States Trade Agreement (Jan. 1, 1936)
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value		
Meats—		\$		\$		\$		\$		
Foultry, dressed or undressed.....Lb.	1,026	220	6,476	1,368	174,014	43,801	38,456	7,710	10c per lb.	6c. per lb., if chickens and guineas; 10c. per lb., if other poultry.
Milk products—										
Cheese.....Cwt.	3,366	50,787	2,020	35,061	112,001	1,535,173	46,312	708,542	7c. per lb., but not less than 25% ad val., if cheddar cheese in original loaves; 7c. per lb., but not less than 35% ad val., if other kinds of cheese.	5c. per lb., but not less than 25% ad val., if cheddar cheese in original loaves; 7c. per lb., but not less than 35% ad val., if other kinds of cheese.
Cream.....Gal.	8,410	13,889	9,672	17,941	27,720	40,738	103,378	180,931	56-6/10c. per gal.	3c. per gal. posted in excess of 1,500,000 gals. during any calendar year.
Whale oil.....Gal.					545,403	127,512	530,644	148,469	5c. per gal.	2c. per gal.
Wood, Wood Products and Paper										
Shingle bolts of pine or cedar.....Cord	12	36	89	458	128	491	758	4,326	Free	Free
Stave and other bolts, n.o.p.....Cord	12,007	61,051	8,774	411				1,116	10% ad val.	10% ad val.
Firewood.....M	33,024	125,623	17,308	48,222	259,266	57,702	230,718	301,128	Free	Free
Laths.....M ft.	5,415	48,535	21,708	77,222	251,502	858,157	111,798	959,984	Free	Free
Logs.....M ft.				259,302	64,311	657,164		1,399,204	Free	Free
Masts and spars.....						20		414	\$1 per M ft. b.m., if spruce, pine, hemlock or larch; free, if other kinds.	50c. per M ft. b.m., if spruce, pine, hemlock or larch; free, if other kinds.
Pickets.....M	1,554	8,934	2,993	28,731	8,620	59,583	33,308	248,671	Free	Free
Piling.....Lin. ft.	59,339	2,755	64,218	2,945	513,274	32,986	647,024	46,881	\$1 per M ft. b.m., if spruce, pine, hemlock or larch; free, if other kinds.	50c. per M ft. b.m., if spruce, pine, hemlock or larch; free, if other kinds.
Planks and boards—										
Flooring of hardwood.....M ft.	28	1,717	5	314	483	24,436	1,495	94,880	8% ad val.	4% ad val.
Planks and boards, softwood.....M ft.	34,368	883,694	29,386	814,400	447,623	10,290,469	456,787	12,600,315	\$1 per M ft. b.m. and 50c. per M ft. b.m. Revenue Tax if fir, spruce, pine, hemlock or larch; (a) free, if other kinds of wood, but subject to \$3 Revenue Tax per M ft. b.m.	\$1.50 per M ft. b.m. Revenue Tax if fir, spruce, pine, hemlock or larch; (a) free, if other kinds of wood, but subject to \$1.50 Revenue Tax per M ft. b.m.
Planks and boards, hardwood, n.o.p...M ft.	4,946	178,667	4,107	162,203	36,208	1,252,664	50,107	2,046,512	Free, but subject to \$3 per M ft. b.m. Revenue Tax.	Free, but subject to \$3 per M ft. b.m. Revenue Tax.
Poles—										
Telegraph and telephone.....No.	45,111	122,844	34,445	109,312	255,080	710,722	389,825	1,192,123	Free.	Free.
Other poles.....No.		21,517		30		112,331		24,276	Free.	Free.
Posts, fence.....No.	25,355	2,154	28,215	2,572	39,993	33,749	733,749	62,725	Free.	Free.
Pulpwood.....Cord	114,977	897,714	144,166	1,214,828	1,037,880	7,739,573	1,381,451	10,787,144	Free.	Free.
Railroad ties.....No.	6,123	7,027	25,164	21,517	221,628	190,245	291,914	219,714	Free.	Free.
Shingles.....Square	242,205	593,202	144,681	400,447	2,125,604	5,369,165	2,109,694	5,933,386	Free.	Free.
Staves and headings.....		474		1,084		12,686		73,379	Free, if staves; 33% ad val. if headings.	Free, if staves; 33% ad val. if headings.



Timber, square, softwood.....	M. ft.	36	1,010	95	3,506	4,563	70,936	1,538	39,599 \$1 per M ft. b.m., if fir, spruce, pine, hemlock or larch; free, if other kinds.
Timber, square, hard wood.....	M. ft.	6	223		8	19	742	18	556 Free.
Wood pulp.....	Cwt.	1,096,112	2,312,553	998,021	2,462,190	11,731,678	24,132,472	13,175,626	30,841,088 Free.
Paper—Newsprint.....	Cwt.	4,671,122	8,285,250	5,104,613	9,345,553	43,185,342	75,273,870	52,366,968	95,548,555 Free.
IRON AND IRON PRODUCTS									
Farm implements—									
Cultivators.....	No.	1	94	5	246	1,397	103,923	402	17,123 Free.
Drills.....	No.	1	76			469	50,312	715	86,493 Free.
Harrows and parts.....	No.		560		7,431		50,788		139,356 Free.
Harvesters and binders.....	No.					728	141,257	1,722	304,351 Free.
Hay rakes.....	No.				62	159	5,284	169	6,106 Free.
Mowers and reapers.....	No.	1	54	1	30,843	516	29,963	217	12,394 Free.
Ploughs and parts.....	No.		58,480				464,590		600,172 Free.
Reaper threshers.....	No.					165	181,573	413	339,020 Free.
Parts of farm implements, n.o.p.....	No.		7,062	909	68,119		414,756		694,767 Free.
Ferro-silicon.....	Ton	235	3,153		18,159	3,607	72,829	13,335	295,004 2c. per lb. on silicon content.
Ferro-manganese and other ferro-alloys,									
n.o.p.....	Ton	4,606	128,129	464	16,196	42,435	1,084,055	21,980	1,013,459 14c. per lb. on manganese content.
Skates.....	Pair	11,808	13,465	10,587	11,221	198,703	131,386	77,063	64,113 20% ad val.
NON-FERROUS METALS AND PRODUCTS									
Cobalt in ore.....	Cwt.	69	4,512	160	10,420	1,224	71,030	686	44,255 Free.
Cobalt, metallic.....	Lb.		208,263	5,176	7,834		2,104,140	5,176	7,834 Free.
Nickel in matte or speiss.....	Cwt.	11,566	39,736	16,173	291,114	110,900	355,348	10,816	2,535,890 Free.
Nickel in oxide.....	Cwt.	1,964		805	16,800	17,666		16,879	338,829 Free.
NON-METALLIC MINERALS AND PRODUCTS									
Abrasives.....	Cwt.	132,926	359,108	159,144	367,380	1,355,985	3,612,339	1,861,647	4,893,000 Free.
Asbestos.....	Ton	7,853	383,250	9,036	445,139	70,083	3,640,384	189,309	4,892,569 Free.
Asbestos sand and waste.....	Ton	15,043	244,367	13,245	211,974	131,974	2,124,441	127,317	2,767,921 Free.
Feldspar.....	Ton	2,151	12,315	3,086	21,988	12,272	80,860	22,153	167,235 50c. per ton, if crude.
Gypsum, crude.....	Ton	78,498	97,345	88,081	105,956	460,052	542,222	686,385	797,523 50c. per ton, if crude.
Lime.....	Cwt.	21,216	23,487	23,487	9,652	219,253	92,021	180,890	76,063 Various.
Talc.....	Cwt.	16,929	9,011	13,414	6,793	163,869	82,243	138,575	69,422 35% ad val.
CHEMICALS AND ALLIED PRODUCTS									
Acetic acid.....	Cwt.	18,241	97,582	13,727	69,857	266,809	1,433,349	315,985	1,689,470 2c. per lb. if over 65%.
Cobalt oxides and cobalt salts.....	Lb.			3,249	4,825			100,569	134,897 20c. per lb. if oxides.
Cyanamid.....	Cwt.	288,260	298,201	196,010	228,523	2,244,503	2,829,134	2,548,549	2,795,677 30% ad val. if salts.
Sulphuric acid.....	Cwt.	3,485	2,146	2,536	1,653	19,822	13,492	30,176	18,980 Free.
MISCELLANEOUS COMMODITIES									
Organs.....	No.					5	15,293	8	16,261 35% ad val.
Total exports of above commodities.....			20,891,420		20,603,995		194,663,250		237,483,797
Total domestic exports to United States.....			46,536,866		31,288,499		366,992,672		431,501,175

(a) Reduced rates not applicable to imports of Douglas fir or Western hemlock in any calendar year in excess of an aggregate quantity of 250,000,000 feet, board measure.

## EXCHANGE SITUATION IN VENEZUELA

W. J. RIDDIFORD, CANADIAN TRADE COMMISSIONER

Panama City, December 13, 1937.—Unusually heavy importations of foreign merchandise, a large percentage of which is reported to consist of so-called luxury articles, has affected adversely the Venezuelan balance of foreign payments, with the result that during recent weeks there has been a shortage of foreign exchange. It is reported that on November 30, 1937, the Exchange Control Office at Caracas informed banks that importations of foreign merchandise will be permitted only in cases where the prior authority or sanction of the Exchange Control Office has been obtained. It is understood that the Exchange Control Office will authorize importations of foreign merchandise on the basis of preferences for necessary imports and will endeavour to curtail imports of unnecessary or luxury merchandise.

## FOREIGN TRADE OF CHINA, JANUARY TO JUNE

H. A. SCOTT, CANADIAN TRADE COMMISSIONER

(Except where otherwise stated, all dollar references are to the Yuan or Chinese standard dollar. Detailed figures for the value of imports are given by the Chinese Maritime Customs only in Customs gold units. The approximate average equivalents of the Chinese gold unit and of the Chinese standard dollar for the first six months of 1936 and the first six months of 1937 were as follows:—

	1936	1937
Yuan or C.S. dollar equals.....	U.S.\$0·29755	U.S.\$0·29362
Customs gold unit equals.....	U.S.\$0·67199	U.S.\$0·67009
Customs gold unit equals.....	Yuan \$2·258	Yuan \$2·282)

Shanghai, November 30, 1937.—China's foreign trade for the first six months of 1937 was valued at \$1,088,874,216 as compared with \$791,711,713 for the similar period of 1936, an increase of 37·5 per cent.

Exports, which reached \$482,859,251 as compared with \$332,711,469 in 1936, were 45·1 per cent higher; and imports, valued at \$606,014,965 as compared with \$459,000,244 for the first six months of 1936, recorded a gain of 32 per cent.

The excess of imports in China's trade for the period under review amounted to \$123,155,714 as compared with an excess of \$126,288,775 during the first six months of 1936.

The apparent excess of imports over exports, as pointed out in previous reports, does not of course take into account the large volume of goods smuggled into the country which are not recorded in the official returns.

### EXPORTS

The following table shows the relative positions of the principal purchasers of China's exports, with percentages of the total credited to each, for the first half of the year as compared with the corresponding period of 1936 (values in thousands of Chinese dollars):—

#### *China's Exports by Countries*

	1936			1937		
	\$1,000	Rank	Per Cent	\$1,000	Rank	Per Cent
Total exports .. . . .	333,569	..	100.00	483,014	..	100.00
United States .. . . .	100,877	1	30.24	155,601	1	32.21
Hongkong .. . . .	47,753	2	14.32	66,613	2	13.79
Japan .. . . .	42,665	3	12.79	63,125	3	13.07
Great Britain .. . . .	27,232	4	8.16	36,156	5	7.49
Germany .. . . .	21,487	5	6.44	43,931	4	9.10



	1936			1937		
	\$1,000	Rank	Per Cent	\$1,000	Rank	Per Cent
France . . . . .	11,987	6	3.59	16,481	6	3.41
British India (incl. Burma) .	8,899	8	2.67	9,464	9	1.96
Kwantung Leased Territory .	8,914	7	2.67	9,334	10	1.93
Netherlands . . . . .	6,853	10	2.05	10,124	8	2.10
Straits Settlements and F.M.S.	7,280	9	2.18	10,628	7	2.20
Morocco . . . . .	3,347	13	1.00	3,402	15	0.70
French Indo-China . . . . .	3,929	12	1.18	4,606	13	0.95
Korea . . . . .	5,403	11	1.62	5,664	11	1.17
Belgium . . . . .	2,895	17	0.87	3,318	16	0.69
Philippine Islands . . . . .	3,043	15	0.91	4,404	14	0.91
Australia . . . . .	3,251	14	0.98	3,187	17	0.66
Canada . . . . .	2,941	16	0.88	5,498	12	1.14

As will be noted from the above table, the United States as usual was by far the largest purchaser, others of importance in order being Hongkong, Japan, Great Britain, Germany, and France. The above figures do not allow, of course, for the considerable but unknown value of Chinese goods imported by these countries from Hongkong. The exports credited to Hongkong are mainly reshipped to other destinations.

The following table records exports according to principal commodity groups from January to June, 1937, as compared with the same period of last year:—

*China's Exports by Commodity Groups*

	1936	1937
Total exports . . . . .	\$232,711,469	\$482,859,251
Animals and animal products (not including hides, leather, and skins (furs), and fishery and sea products) . . . . .	46,761,953	61,960,583
Hides, leather and skins (furs) . . . . .	28,702,610	44,074,566
Fishery and sea products . . . . .	1,895,656	1,821,358
Beans and peas . . . . .	2,563,387	4,388,631
Cereals and cereal products . . . . .	9,629,939	12,255,943
Dyestuffs, vegetable . . . . .	845,587	975,198
Fruits, fresh, dried and preserved . . . . .	4,867,880	7,887,006
Medicinal substances and spices (not including chemicals) .	4,478,401	5,900,114
Oil, tallow and wax . . . . .	55,438,098	79,701,668
Seeds . . . . .	20,841,487	26,314,897
Spirituous beverages . . . . .	538,750	713,747
Sugar . . . . .	2,017	2,784
Tea . . . . .	9,351,326	11,493,313
Tobacco . . . . .	6,386,668	5,352,263
Vegetables . . . . .	4,317,421	5,922,330
Other vegetable products . . . . .	3,059,010	4,345,451
Bamboo . . . . .	1,441,639	1,802,050
Fuel . . . . .	6,187,286	7,882,229
Rattan . . . . .	119,354	71,517
Timber, wood, and manufactures thereof . . . . .	1,277,228	1,893,895
Paper . . . . .	2,540,790	3,444,602
Textile fibres . . . . .	43,085,199	80,898,725
Yarn, thread, plaited and knitted goods . . . . .	19,855,343	23,787,585
Piece-goods . . . . .	11,999,447	12,682,919
Other textile products . . . . .	3,896,591	6,647,114
Ores, metals, and metallic products . . . . .	25,906,135	48,750,959
Glass and glassware . . . . .	173,336	251,724
Stone, earth, sand, and manufactures thereof (including chinaware and enamelledware) . . . . .	1,826,621	2,607,535
Chemicals and chemical products . . . . .	2,571,420	4,282,241
Printed matter . . . . .	1,156,263	1,386,561
Sundry . . . . .	10,994,627	13,359,743

With the exception of tobacco and the relatively unimportant item of rattan, the value of every group showed an increase, the most spectacular gains among the major items being in wood oil, peanut oil, peanuts, animal products (principally dried and frozen eggs, hogs, intestines, poultry, and feathers), furs, skins, tungsten ore, and raw cotton.

## CHINA'S EXPORTS TO CANADA

The almost twofold rise in the value of exports to Canada, from \$2,941,000 in the first half of 1936 to \$5,498,000 in the first six months of this year, was primarily the result of increased purchases by the Dominion of peanuts, peanut oil, walnut kernels, cross-stitch work and embroideries, lace goods, and woollen carpets.

The following table shows values of exports to Canada of the nine leading groups for the first six months of 1937, as compared with the corresponding period of last year:—

*Principal Exports to Canada*

	1936	1937
Total.. . . .	\$2,941,000	\$5,498,000
Yarn, thread, pleated and knitted goods.. . . .	408,449	936,143
Oils.. . . .	901,843	1,614,796
Walnuts .. . . .	617,565	948,057
Peanuts.. . . .	435,328	1,012,523
Textile fibres (silk) .. . . .	142,240	3,795
Hides, leather, skins and furs.. . . .	135,101	148,048
Tea.. . . .	25,898	164,120
Woollen carpets and floor rugs.. . . .	64,877	129,597
Ores, metals and metallic products.. . . .	35,882	62,548

## IMPORTS

Imports from China's chief supplying countries, with a percentage of the total imports from each country, for the first half of 1936 and 1937 respectively were as follows (values in thousands of Chinese dollars):—

	1936			1937		
	\$1,000	Rank	Per Cent	\$1,000	Rank	Per Cent
Total.. . . .	460,638	..	100.00	607,221	..	100.00
United States .. . . .	81,925	1	17.79	115,386	1	19.00
Japan.. . . .	70,176	3	15.23	115,365	2	19.00
Germany.. . . .	79,392	2	17.24	90,583	3	14.92
Great Britain .. . . .	54,836	4	11.90	68,811	4	11.33
Netherlands India .. . . .	29,737	5	6.46	48,776	5	8.03
Belgium .. . . .	12,477	8	2.71	17,811	6	2.93
British India (incl. Burma) .. . . .	18,047	6	3.92	10,461	10	1.72
Canada .. . . .	9,272	12	2.01	12,236	8	2.02
Siam.. . . .	12,533	7	2.72	10,179	11	1.68
France .. . . .	11,832	10	2.57	6,632	15	1.09
French Indo-China .. . . .	10,734	11	2.33	15,545	7	2.56
Hongkong .. . . .	8,582	13	1.86	9,720	12	1.60
Australia.. . . .	12,066	9	2.62	11,009	9	1.81
Italy .. . . .	5,352	15	1.16	6,312	16	1.04
Kwantung Leased Territory.. . . .	5,657	14	1.23	7,333	13	1.21
Straits Settlements and F.M.S. .. . . .	4,596	16	1.00	7,264	14	1.20

As compared with the first half of 1936, when the combined imports from the United States, Great Britain, Germany, and Japan accounted for 62.16 per cent of the total, these four countries supplied China with 64.25 per cent of the total imports in the first six months of this year. The United States and Japan both gained ground at the expense of Germany, due probably in part to the semi-withdrawal of the exchange compensation scheme which so materially encouraged German exports to China during the first half of 1936.

Canada's percentage of the total import trade to this country remains practically stationary, although the actual volume of imports from the Dominion increased by approximately 25 per cent.



## CHINA'S IMPORTS BY CHIEF COMMODITY GROUPS

Below are given imports according to principal commodity groups for the first half of 1936 and 1937 respectively:—

	1936 G.U.	1937 G.U.
Total.....	203,313,970	265,644,594
Manufactured cotton goods (including raw cotton, yarn and thread).....	15,144,144	12,206,626
Flax, ramie, hemp, jute and manufactures thereof..	3,699,504	6,097,938
Wool and manufactures thereof.....	5,216,273	10,899,855
Silk (including artificial silk) and manufactures thereof.....	1,321,599	4,421,976
Metals and ores.....	21,014,218	38,763,617
Machinery and tools.....	12,725,151	19,129,297
Vehicles and vessels.....	11,783,260	11,053,710
Miscellaneous metal manufactures.....	9,432,280	12,014,213
Fishery and sea products.....	3,724,658	4,154,452
Animal products, canned goods, and groceries..	2,148,967	2,343,940
Cereals and flour.....	15,912,210	14,356,894
Fruits, seeds and vegetables.....	1,231,762	1,737,869
Medicinal substances and spices.....	2,105,547	2,083,578
Sugar.....	3,184,001	5,969,766
Wines, beer, spirits, table waters, etc.....	404,893	346,120
Tobacco.....	2,387,967	6,464,769
Chemicals and pharmaceuticals.....	11,284,688	16,101,616
Dyes, pigments, paints and varnishes.....	10,232,321	11,401,833
Candles, soap, oils, fats, waxes, gums and resins..	20,667,185	29,256,738
Books, maps, paper and wood pulp.....	12,241,038	19,920,073
Hides, leather and other animal substances.....	1,061,894	1,326,626
Timber.....	4,736,808	4,565,592
Wood, bamboos, rattans, coir, straw and manufac- tures thereof.....	1,619,397	2,030,548
Coal, fuel, pitch and tar.....	1,714,985	1,780,746
China-ware, enamelled ware, glass, etc.....	1,063,780	1,765,777
Stone, earth and manufactures thereof.....	835,399	1,024,338
Sundry.....	25,920,041	24,426,087

The groups largely responsible for the notable gain of 32 per cent of the total imports for the first half of this year, as compared with the same period of 1936, were: wool and manufactures of wool; silk and silk manufactures; metals and ores; machinery and tools; sugar; chemicals and pharmaceuticals; candles, soap, oils, fats, waxes, gums, and resins; and books, maps, paper, and wood-pulp.

## IMPORTS FROM CANADA

As usual, timber products (lumber, logs, and sleepers), paper and pulp (newsprint, kraft, wood-pulp, etc.), metals and ores (aluminium, lead, and zinc), wheat flour, and salted herring, in the order given, again constituted Canada's principal sales to China for the period under review, and altogether represented approximately 90 per cent of the total imports from Canada during the first six months of this year.

The total value of all imports from Canada into China in the period under review was 5,366,000 g.u. as compared with 4,108,000 g.u. in the corresponding period of 1936.

Of total imports of timber valued at 4,565,000 g.u., Canada is credited with 1,542,000 g.u. (1,562,000 g.u. in the 1936 period).

Paper and pulp were imported to the extent of 19,920,000 g.u., of which Canada supplied to the value of 1,405,000 g.u. (1,126,000 g.u.).

Imports of metals and ores were valued at 38,764,000 g.u., of which Canada is credited with 1,072,000 g.u. (368,000 g.u.).

Total imports of wheat flour were valued at 1,074,000 g.u., Canada's share being 470,000 g.u. (386,000 g.u.).

Of total imports of salted herring valued at 456,000 g.u., the Dominion is credited with 341,000 g.u. (187,000 g.u.).

## DEVELOPMENTS IN MANCHUKUO

T. J. MONTY, ASSISTANT TRADE COMMISSIONER

### CREDITS

Tokyo, November 26, 1937.—Trade relations between Manchukuo and Germany will no doubt be stimulated by the conclusion in Hsinking on November 15 of a credit arrangement whereby Germany extends through the Otto Wolf financial interests a credit to Manchukuo amounting to £2,000,000 sterling at a rate of interest of 5½ per cent.

According to the general terms of this credit, orders placed within a year from November 15 by Manchukuo firms, upon recommendation of the Manchukuo Government and guaranteed by the Central Bank of Manchukuo, will be filled to the amount of the credit established. Payment is to be effected in Manchukuo products to the extent of 90 per cent, the remaining 10 per cent to be paid in sterling exchange. Payments are to terminate in June, 1944.

This credit has been extended for the purpose of selling German building material and machinery required by Manchukuo for its five-year industrial development plan (instituted largely as a result of decreased exports to China) and will operate under the terms of the Manchukuo-German Trade Agreement recently extended till May, 1940.

These arrangements, while strengthening trade relations between Germany, Manchukuo and Japan, are expected to stimulate the achievement of the five-year industrial development plan undertaken by Manchukuo, which plan will necessarily be revised as a result of a shortage of funds brought about by Sino-Japanese developments.

### IMPORT RESTRICTIONS

With regard to the import of goods into Manchukuo, the strict enforcement of exchange control regulations, which came into effect on October 8, 1937 (details of which appeared in *Commercial Intelligence Journal* No. 1763, November 13, 1937) has restricted the entry of goods considered to be luxuries or unnecessary.

In order to enforce still stricter control over imports, the restrictions and prohibitions which have been applying in Japan against some 270 tariff items not believed essential are under consideration for Manchukuo.

Recent tariff reductions have been effected in North China on essential commodities such as rice, wheat flour, sugar, tobacco, cement, aquatic and petroleum products, in order to stimulate the import of these necessities from Japan.

On the other hand, steps are presently being contemplated in Manchukuo to control the import of these commodities, especially rice, wheat and wheat flour, soda ash, leaf tobacco and sugar, in order to encourage their production under the five-year plan and to promote trade with Japan.

### FIVE-YEAR PLAN

The five-year industrial development plan which has been in operation as from this year will need to be revised and delayed as a result of recent developments which have absorbed capital requirements originally destined for this project.

This shortage of capital may explain the invitation recently extended to foreign capital and to foreign technical organizations by the newly organized semi-governmental heavy industry holding corporation entrusted with the development of industrial resources in Manchukuo to share in this development. The obtaining of credits for the purchase of machinery, etc., as outlined above, may be considered as a step in this direction.



## MR. CORMACK'S TOUR OF CANADA

Mr. James Cormack, Canadian Trade Commissioner in Dublin, Irish Free State (whose territory includes Northern Ireland), is making a tour of the Dominion in the interests of Canadian trade with his territory. His itinerary is as follows:—

Vancouver . . . . .	Jan. 6 to 14	Hamilton . . . . .	Feb. 8
Kelowna . . . . .	Jan. 12	Brantford . . . . .	Feb. 9
Winnipeg . . . . .	Jan. 17 and 18	London . . . . .	Feb. 10
Toronto . . . . .	Jan. 21 to Feb. 5	Windsor . . . . .	Feb. 11 and 12
St. Catharines . . . . .	Feb. 7	Kitchener . . . . .	Feb. 14

Firms who wish to be brought in touch with Mr. Cormack should communicate, for Toronto, Vancouver, and Winnipeg with the office of the Canadian Manufacturers Association, and for the other centres, with the respective Board of Trade or Chamber of Commerce.

## TARIFF CHANGES AND CUSTOMS REGULATIONS

### Southern Rhodesia

#### TRADE AGREEMENT WITH CANADA TERMINATING ON JANUARY 2, 1938

In consequence of notice given by the Government of Southern Rhodesia to terminate the Canada-Southern Rhodesia Trade Agreement, signed at Ottawa on August 20, 1932, and brought into force on January 2, 1933, the agreement will lapse on January 2, 1938.

The result will be that after January 2, 1938, Canadian goods entering Southern Rhodesia will be under an intermediate tariff adopted on May 18, 1937. While Southern Rhodesia has had a three-column tariff for many years, the three-column system was introduced in a new form on that date. Under the new tariff, rates under column "A" are general and are applicable to countries outside the British Empire. Rates in column "B" are applicable to British Dominions, India, and territories administered by His Majesty's Governments in the Dominions under mandate or otherwise. Rates in column "C" are applicable to the United Kingdom, British Colonies, British Protectorates and protected states, and the mandated territories of Tanganyika, the Cameroons under British mandate, and Togoland under British mandate.

The Union of South Africa is entitled under the Trade Agreement with Southern Rhodesia to the benefits of column "C," but Australia, New Zealand, the Irish Free State, and India are subject to the rates of column "B"; Canadian products, after the termination of the trade agreement on January 2, 1938, will also be subject to the rates of column "B."

Some of the rates of the intermediate tariff (column "B") are the same as those of column "A," some are the same as column "C," while on many items the rates in column "B" are intermediate between columns "A" and "C." Among the commodities of interest to Canadian exporters on which the rates are the same under columns "B" and "C" are: oatmeal and rolled oats, canned vegetables, macaroni, rubber footwear, newsprint, wrapping paper, iron and steel pipes, wire, agricultural implements, machinery, and motor trucks. The rates are higher under "B" than under "C" with regard to hosiery, wheat flour, confectionery, canned fish, milk powder, clothing, wooden boxes empty or in shooks, wallboard, electric stoves, spark plugs, motor cars, and rubber tires.

## Australia

### REMOVAL OF IMPORT RESTRICTIONS

With reference to the article under this heading in *Commercial Intelligence Journal* No. 1768 (December 18, 1937), page 1040, a further bulletin from Mr. J. P. Brophy, Australian Customs Representative in New York, dated December 17, reads as follows:—

"Permits for the importation of the undermentioned goods will now be issued freely, irrespective of the country of origin of the goods:

"Vegetables (but not ginger) classifiable under tariff Item 54(A); preserved or partly preserved or pulped asparagus tips; oil baize and fabrics similar to oil baize prepared with rubber oil celluloid or nitro-cellulose; costumes, dresses, or robes, including boxed robes; corsets; copper pipes and tubes; iron and steel pipes and tubes of not more than 3 inches internal diameter; pasteurizers; jacketed vats or jacketed tanks lined or unlined, including those fitted with agitators or stirrers, capable of use as pasteurizers or coolers or storage receptacles; enamelled vats or tanks not jacketed; saws, cross-cut, frame, hack, hand, inserted tooth, circular; mercerized cotton yarn; stone-crushing machines classifiable under tariff Item 176(D)(1); sugar-making and refining machinery; tanning machines for hides and skins and machines used in the preparation of leather; paper-making, paper-working, and paper-box-making machinery; rubber-working machines; outboard engines."

### TARIFF DECISIONS

Recent Australian customs decisions as to the classification and rates of duty on articles regarding which question had been raised include the following:—

Pulling jacks, lever-operated, free of duty under British preferential tariff, 15 per cent ad valorem under general tariff (Item 174X60).

Gas carbon black for use in the manufacture of lacquers, under security furnished by the importer that it will be used for the purpose stated, free of duty under all tariffs (by-law under Item 404A).

Pedal caps for pianos, wholly of brass, 30 per cent ad valorem under British preferential tariff, 57½ per cent under general tariff, rates to increase as present Australian exchange depreciation may be lessened (Item 208A1).

Cast iron pedal feet for pianos, 45 per cent ad valorem under British preferential tariff (rate adjusted to compensate for Australian exchange depreciation), 65 per cent under general tariff (Item 208A2).

Toilet companions, being textile bags lined with rubber, containing bottles or jars for toilet requisites and designed for conveying toilet requisites to the bathroom, 25 per cent ad valorem under British preferential tariff, 55 per cent under general tariff, rates to increase as present Australian exchange depreciation may be lessened (Item 376B).

Wooden spoons of the type supplied with packeted ice cream, 5 per cent ad valorem under British preferential tariff, 30 per cent under general tariff (Item 197B2).

Oil strainers of the type in which the oil passes between coils of steel wire wound cylindrically and in which a mechanical cleaning device is incorporated, free of duty under British preferential tariff, 15 per cent ad valorem under general tariff (by-law under Item 174Y).

Canadian goods under the above items, having the required content of Canadian and/or Australian material and labour and shipped in accordance with Australian regulations are entitled to British preferential tariff rates. Goods from all countries outside the British Empire are subject to general tariff rates.

## Chile

### TARIFF CHANGES

Mr. M. J. Vechsler, Canadian Trade Commissioner in Lima, advises that under a Chilean decree of November 11, 1937, effective as from January 1, 1938, the present duty on motor cars and chassis, including lorries (except steam-driven vehicles), spare parts and rubber tires, and on whisky has been increased by one-third.



## FOREIGN EXCHANGE QUOTATIONS: WEEK ENDING DEC. 20, 1937

The Foreign Exchange Division of the Bank of Canada has furnished the following statement of the nominal closing quotations for all the principal exchanges for the week ending Monday, December 20, and for the week ending Monday, December 13, with the official bank rate:—

Country	Unit	Present or Former Gold Parity	Nominal Quotations in Montreal Week ending Dec. 13	Nominal Quotations in Montreal Week ending Dec. 20	Official Bank Rate
Austria . . . . .	Schilling	.1407	\$ .1890	\$ .1891	3½
Belgium . . . . .	Belga	.1001	.1700	.1701	2
Bulgaria . . . . .	Lev	.0072	.0129	.0129	6
Czechoslovakia . . . . .	Krone	.0296	.0351	.0351	3
Denmark . . . . .	Krone	.2680	.2230	.2233	4
Finland . . . . .	Markka	.0252	.0221	.0222	4
France . . . . .	Franc	.0392	.0339	.0340	3½
Germany . . . . .	Reichsmark	.2382	.4031	.4033	4
Great Britain . . . . .	Pound	4.8666	4.9968	5.0025	2
Greece . . . . .	Drachma	.0130	.0092	.0092	6
Holland . . . . .	Guilder	.4020	.5562	.5565	2
Hungary . . . . .	Pengo	.1749	.2970	.2970	4
		Unofficial	.1985	.1986	—
Italy . . . . .	Lira	.0526	.0526	.0526	4½
Jugo-Slavia . . . . .	Dinar	.0176	.0231	.0233	5
Norway . . . . .	Krone	.2680	.2511	.2513	4
Poland . . . . .	Zloty	.1122	.1894	.1896	4½
Portugal . . . . .	Escudo	.0442	.0451	.0452	4
Roumania . . . . .	Leu	.0060	.0073	.0074	4½
Spain . . . . .	Peseta	.1930	.0613	.0626	5
Sweden . . . . .	Krona	.2680	.2575	.2578	2½
Switzerland . . . . .	Franc	.1930	.2313	.2314	1½
United States . . . . .	Dollar	1.0000	1.0000	1.0009	1
Mexico . . . . .	Peso	.4985	.2775	.2777	4-5
Cuba . . . . .	Peso	1.0000	.9992	1.0001	—
Gaudeloupe . . . . .	Franc	.0392	.0339	.0340	—
Jamaica . . . . .	Pound	4.8666	5.0067	5.0125	—
Martinique . . . . .	Franc	.0392	.0339	.0340	—
Other British West Indies	Dollar	1.0138	1.0410	1.0421	—
Argentina . . . . .	Peso (Paper)	.4245	.3332	.3335	—
		Unofficial	.2935	.2923	—
Brazil . . . . .	Milreis (Paper)	.1196	.0543	.0547	—
British Guiana . . . . .	Dollar	1.0138	1.0410	1.0421	—
Chile . . . . .	Peso	.1217	.0517	.0517	3-4½
		Unofficial	.0400	.0400	—
Colombia . . . . .	Peso	.9733	.5448	.5485	4
Peru . . . . .	Sol	.2800	.2450	.2402	6
Venezuela . . . . .	Bolivar	.1930	.3137	.3140	—
Uruguay . . . . .	Peso	1.0342	.8000	.8007	—
South Africa . . . . .	Pound	4.8666	4.9900	4.9962	3½
Egypt . . . . .	Pound (100 Piastres)	4.9431	5.1200	5.1250	—
China (Shanghai) . . . . .	Dollar	.....	.2947	.2951	—
Hongkong . . . . .	Dollar	.....	.3117	.3122	—
India . . . . .	Rupee	.3650	.3771	.3776	3
Japan . . . . .	Yen	.4985	.2909	.2911	3.29
Java . . . . .	Guilder	.4020	.5562	.5564	—
Siam . . . . .	Baht (Tical)	.4424	.4580	.4583	—
Straits Settlements . . . . .	Dollar	.5678	.5861	.5866	—
Australia . . . . .	Pound	4.8666	3.9975	4.0020	3
New Zealand . . . . .	Pound	4.8666	4.0300	4.0330	2

The Dominion Bureau of Statistics has supplied the following note:—

Further weakness in the Canadian dollar was apparent in the third week of December as Montreal rates on leading currencies advanced. Sterling moved slightly above \$5, and a premium of 1⅛ of 1 per cent was quoted on New York funds. The French franc also registered a minor rise, although discounts on forward positions recently have increased materially. The Brazilian milreis strengthened fractionally, while Argentine peso free rates were slightly easier during the week ended December 20.

## TRADE OPPORTUNITIES ABROAD FOR CANADIAN PRODUCTS

The Trade Inquiries for Canadian products published below have been received since the publication of the last issue of the *Commercial Intelligence Journal*. Interested exporters may secure the names and addresses of the firms making these inquiries, together with further details regarding the commodities required, on application to the Director, Commercial Intelligence Branch, Department of Trade and Commerce, Ottawa, or—

### Secretary, Board of Trade—

Saint John, N.B.

Halifax, N.S.

Quebec, P.Q.

Montreal, P.Q.

Toronto, Ont.

Chatham, Ont.

Kitchener, Ont.

Brantford, Ont.

Stratford, Ont.

Woodstock, Ont.

St. Mary's, Ont.

Portage la Prairie, Man.

St. Boniface, Man.

Winnipeg Man.

Vancouver, B.C.

New Westminster, B.C.

### Secretary, Chamber of Commerce—

Sherbrooke, P.Q.

Kingston, Ont.

Oshawa, Ont.

Belleville, Ont.

Peterborough, Ont.

London, Ont.

Hamilton, Ont.

Victoria, B.C.

Prince Rupert, B.C.

Windsor Chamber of Commerce, Windsor, Ont.

Commercial Intelligence Service, Department of Municipal Affairs, Trade and Commerce, Quebec.

Department of Industry, Brantford, Ont.

Industrial Commissioner, Stratford, Ont.

La Chambre de Commerce de Montréal, 25 St. James E., Montreal, P.Q.

### Secretary, Canadian Manufacturers Association—

Toronto, Ont.

Montreal, P.Q.

Winnipeg, Man.

Edmonton, Alta.

Vancouver, B.C.

Victoria, B.C.

The Maritime Provinces Trade Commissioner, 122 Federal Building, Toronto, Ont.

The Bureau of Provincial Information, Victoria, B.C.

Commodity	No.	Location of Inquirer	Purchase or Agency
<b>Foodstuffs—</b>			
Evaporated Milk.....	901	Tel Aviv, Palestine.....	Agency.
Canned Vegetables.....	902	Cardiff, Wales.....	Agency.
Canned Tomatoes.....	903	Cardiff, Wales.....	Agency.
Canned Fruits.....	904	Cardiff, Wales.....	Agency.
Canned Fish.....	905	Cardiff, Wales.....	Agency.
Frozen Salmon.....	906	St. Servais (Namur), Belgium.	Purchase.
<b>Miscellaneous—</b>			
Wax Tailings.....	907	Bristol, England.....	Purchase or agency.
Buttons.....	908	Bristol, England.....	Agency.
Men's and Women's Underwear (Rayon, Cotton and Silk).	909	New York City, New York.	Purchase.
Corset Steels.....	910	Bristol, England.....	Agency.
Electric Lamps.....	911	Adelaide, South Australia..	Agency.
Electric Lamp Sockets.....	912	Adelaide, South Australia..	Agency.
Wire, Electric, Bare and Insulated	913	Adelaide, South Australia..	Agency.
Refrigerator Hardware.....	914	New York City, New York.	Purchase.
Bandsaws for Cutting Metal....	915	Birmingham, England.....	Purchase or Agency.
Carpet.....	916	Birmingham, England.....	Purchase or Agency.
(Pile Embedded in Composition).			
Printing Ink.....	917	Johannesburg, South Africa	Purchase.
Match Paper.....	918	Kota Bahru, Kelantan, Unfederated Malay States.	Purchase.
Woodpulp.....	919	Lisbon, Portugal.....	Agency.
Veneers.....	920	Lisbon, Portugal.....	Agency.
Shoe Shanks.....	921	Oporto, Portugal.....	Purchase and Agency.
Boot and Shoe Findings.....	922	Oporto, Portugal.....	Purchase and Agency.



## PROPOSED SAILINGS FROM CANADIAN PORTS

(The sailing dates are approximate and subject to change without notice)

### From Saint John

*To Liverpool.*—Montclare, Dec. 31 and Jan. 28; Duchess of Bedford, Jan. 7; Duchess of York, Jan. 14; Montrose, Jan. 21—all Canadian Pacific.

*To London.*—Beaverdale, Dec. 30; Beaverbrae, Jan. 6; Beaverford, Jan. 13; Beaverburn, Jan. 20; Beaverhill, Jan. 27—all Canadian Pacific.

*To Manchester.*—Manchester Commerce, Dec. 30; Manchester Port, Jan. 6; Manchester Brigade, Jan. 13; Manchester City, Jan. 20; Manchester Citizen, Jan. 27; Manchester Regiment, Feb. 3—all Manchester Line.

*To Avonmouth (Port of Bristol), Cardiff and Swansea.*—Dorelian, Dec. 28; Dakotian, Jan. 14; Norwegian, Feb. 5—all Cunard-Donaldson and Dominion Lines.

*To Glasgow.*—Delilian, Dec. 31; Sulairia, Jan. 13; Athenia, Jan. 28—all Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Cairncross, Dec. 28; Cairnvalona, Jan. 4; Cairnesk, Jan. 11; Cairnglen, Jan. 25; Cairnmona, Feb. 1—all Cairn-Thomson Line.

*To Dublin and Belfast.*—Torr Head, Dec. 28; Kenbane Head, Jan. 9—both Head Line (cargo accepted for Cork and Londonderry).

*To Antwerp and Havre.*—Beaverburn, Jan. 20; Beaverford, Feb. 17—both Canadian Pacific (do not call at Havre); Flint II (does not call at Havre), Jan. 8; Brant County, Jan. 20; Hada County, Feb. 11—all County Line.

*To Rotterdam.*—Flint II, Jan. 8; Brant County, Jan. 20; Hada County, Feb. 11—all County Line.

*To Hamburg.*—Beaverford, Jan. 13; Beaverdale, Feb. 10—both Canadian Pacific.

*To Marseilles, Genoa, Leghorn, Naples, Messina and Palermo.*—Capo Olmo, Jan. 13; Capo Lena, Feb. 17—both Capo Line (call at Lisbon if sufficient cargo offers).

*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demarara.*—Lady Hawkins, Jan. 5; Lady Drake, Jan. 19; Lady Nelson, Feb. 2—all Canadian National.

*To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad, Demerara and Paramaribo.*—A steamer, Ocean Dominion SS. Corp., Jan. 4 (calls at Guadeloupe and Martinique if sufficient cargo offered).

*To Kingston and Jamaica Outports.*—Saramacca, Dec. 31; Orotava, Jan. 14; Telde, Jan. 28—all United Fruit Co. (cargo accepted for Caribbean, Central and South American ports with transhipment at Kingston).

*To Brisbane, Sydney, Melbourne and Adelaide.*—Kaipara, Jan. 21; City of Glasgow, Feb. 20—both Montreal-Australia-New Zealand Line (will also call at Geelong).

*To Auckland, Wellington, Lyttelton and Dunedin.*—Port Saint John, Jan. 11; City of Delhi (also calls at Bluff), Feb. 13—both Montreal-Australia-New Zealand Line.

*To Alexandria, Port Said, Suez, Aden, Karachi, Bombay, Colombo, Madras, Rangoon, Calcutta, Manila, Hongkong and Dairen.*—Ernebank, Jan. 14; City of Sydney, Jan. 29—both Canada-India Service (cargo accepted for transhipment at Aden, call at other ports as cargo offers).

*To Cape Town, Port Elizabeth, East London and Durban.*—Dunkeld (also calls at Sierra Leone, Walvis Bay, Lourenco Marques and Beira), Dec. 26; Trentbank, Jan. 8—both Elder Dempster Lines Ltd.; a steamer Cosmopolitan Navigation Co., about Jan. 10.

### From Halifax

*To Liverpool.*—Montclare, Jan. 1 and 29; Duchess of Bedford, Jan. 8; Duchess of York, Jan. 15; Montrose, Jan. 22—all Canadian Pacific; Aurania, Dec. 26; Scythia, Jan. 9; Antonia, Jan. 23—all Cunard-White Star Line; Dromore, Jan. 4; Nova Scotia, Jan. 25—both Furness Line; Manchester Producer, Manchester Line, Jan. 29.

*To London.*—Beaverdale, Dec. 31; Beaverbrae, Jan. 7; Beaverford, Jan. 14; Beaverburn, Jan. 21; Beaverhill, Jan. 28—all Canadian Pacific; Andania, Jan. 1; Ausonia, Jan. 15; Alaulia, Jan. 20—all Cunard-White Star Line.

*To Manchester.*—Manchester Commerce, Dec. 31; Manchester Port, Jan. 8; Manchester Brigade, Jan. 15; Manchester City, Jan. 22; Manchester Citizen, Jan. 29; Manchester Regiment, Feb. 5—all Manchester Line.

*To Glasgow.*—Delilian, Jan. 2; Sulairia, Jan. 15; Athenia, Jan. 29—all Donaldson-Atlantic Line.

*To Newcastle and Leith.*—Consuelo, Jan. 5; Bassano, Feb. 2—both Ellerman's Wilson Line (do not call at Leith); Cairncross, Dec. 30; Cairnvalona, Jan. 6; Cairnesk, Jan. 13; Cairnglen (also calls at Dundee), Jan. 27; Cairnmona, Feb. 3—all Cairn-Thomson Line.

*To Aberdeen and Hull.*—Consuelo, Jan. 5; Guido, Jan. 19; Bassano, Feb. 2—all Ellerman's Wilson Line.

*To Avonmouth (Port of Bristol), Cardiff, Bristol and Swansea.*—Dorelian, Dec. 31; Dakotian, Jan. 17; Norwegian, Feb. 8—all Cunard-Donaldson and Dominion Lines; New York City, Jan. 8; Montreal City, Jan. 28; Bristol City, Feb. 14—all Bristol City and Dominion Lines.

- To Antwerp.*—Beaverburn, Jan. 21; Beaverford, Feb. 18—both Canadian Pacific.  
*To Hamburg.*—Beaverford, Jan. 14; Beavertale, Feb. 11—both Canadian Pacific.  
*To Copenhagen and Gdynia.*—Batory, Gdynia American Line, Jan. 20.  
*To Gothenburg.*—Lagaholm (also calls at Scandinavian ports), Swedish-America-Mexico Line, Jan. 17 and Feb. 18; Drottningholm, Swedish-American Line, Jan. 24 and Feb. 21.  
*To St. John's, Nfld.*—Belle Isle (also calls at St. Pierre-Miquelon), Newfoundland-Canada SS. Ltd., Dec. 27, Jan. 10 and 24; Portia, Dec. 29; a steamer, Jan. 12; Northern Ranger, Jan. 26—all Newfoundland Rys. and SS. Co.; Fort Amherst, Furness-Red Cross Line, Jan. 3, 17 and 31; Dromore, Jan. 4; Nova Scotia, Jan. 25—both Furness Line.  
*To Hamilton, Nassau, Kingston and Belize.*—Cavelier (does not call at Hamilton or Nassau), Jan. 30; Lady Somers, Jan. 6; Cathcart (does not call at Hamilton or Nassau), Jan. 13; Lady Rodney, Jan. 20—all Canadian National.  
*To Bermuda, St. Kitts, Nevis, Antigua, Montserrat, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—Lady Nelson, Dec. 30; Lady Hawkins, Jan. 13; Lady Drake, Jan. 27—all Canadian National.  
*To Bermuda, St. Kitts, Antigua, Dominica, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad and Demerara.*—A steamer, Ocean Dominion SS. Corp., Jan. 8 (calls at Guadeloupe and Martinique if sufficient cargo offered).  
*To Puerto Rico, Barbados, Trinidad and Demerara.*—Chomedy, Jan. 8 and Feb. 19; Colborne, Jan. 22—both Canadian National (call at Guadeloupe and Martinique if sufficient cargo offered).  
*To Santiago (Cuba) and Kingston (Jamaica).*—Lillemor, Dec. 29 and Jan. 26; Kirsten B., Jan. 12—both Pickford & Black Ltd. (also call at Jamaican outports as cargo offers).  
*To Brisbane, Sydney, Melbourne and Adelaide.*—Port Halifax, Dec. 29; Kaipara, Jan. 29—both Montreal-Australia-New Zealand Line (will also call at Geelong).  
*To Auckland, Wellington, Lyttelton and Dunedin.*—Port Saint John, Jan. 19; City of Delhi (also calls at Bluff), Feb. 21—both Montreal-Australia-New Zealand Line.  
*To Yokohama, Kobe, Hongkong, Manila, Cebu and Java.*—Javanese Prince, Jan. 17; Siamese Prince, Feb. 14—both Furness-Prince Line; Silveryew, Jan. 2; Silverbeech, Feb. 4—both Silver Line.

### From Vancouver

- To Yokohama, Kobe and Osaka.*—Hikawa Maru, Jan. 11; Hiye Maru, Jan. 22—both Nippon Yusen Kaisha.  
*To Yokohama, Kobe, Hongkong and Manila.*—Empress of Asia (calls Nagasaki), Jan. 8; Empress of Canada (calls Honolulu), Jan. 22; Empress of Russia (calls Nagasaki), Feb. 19; Empress of Japan (calls Honolulu), March 5—all Canadian Pacific; Tyndareus, Jan. 6; Ixion, Feb. 3—both Blue Funnel Line (call at Milke but not at Manila).  
*To Manila, Iloilo, Cebu, Macassar, Soerabaya, Samarang, Batavia, Singapore, Port Swettenham, Belawan, Deli, Colombo, Bombay and Persian Gulf Ports.*—Bengkalis, Silver-Java Pacific Line, Jan. 1.  
*To Honolulu, Suva, Auckland and Sydney.*—Niagara, Jan. 18; Aorangi, Feb. 15—both Canadian-Australasian Line.  
*To Papeete, Auckland, Wellington, Lyttelton, Dunedin, Melbourne and Sydney.*—Limerick, Jan. 5; Romney, Feb. 11—both Canadian-Australasian Line.  
*To Brisbane, Sydney, Melbourne and Adelaide.*—Llandaff, Empire Shipping Co., Jan. 2.  
*To London, Liverpool and Rotterdam.*—Lochmonar (calls at Glasgow), Jan. 8; Drehtdyk, Jan. 22; Lochkatrine (calls at Glasgow), Feb. 5; Dinteldyk, Feb. 19—all North Pacific Coast Line.  
*To Antwerp, Hamburg and Bremen.*—Oakland, Jan. 6; Seattle, Jan. 25; Tacoma, Feb. 15—all Hamburg-American Line; Weser, Jan. 16; Este, Feb. 5—both North German Lloyd Line.  
*To Havre, Dunkirk, Bordeaux, Antwerp and Rotterdam.*—Wisconsin, Jan. 8; San Diego, Jan. 27—both Empire Shipping Co.  
*To Marseilles, Genoa, Leghorn, Naples, Venice and Trieste.*—Leme, Jan. 26; Fella, Feb. 17—both Empire Shipping Co.  
*To Port of Spain (Trinidad) and Bridgetown (Barbados).*—Hazelside, Canadian Transport Co., early January.  
*To Kingston (Jamaica), Trinidad and Demerara.*—A steamer, Canadian Transport Co., February.  
*To Cape Town, Port Elizabeth, East London, Durban, Lourenco Marques, Beira, Colombo, Calcutta and Madras.*—Salawati, Jan. 4; Silverbelle, Feb. 4—both Silver-Java Pacific Line.  
*To Montevideo, Buenos Aires, Santos, Rio de Janeiro, Bahia, Para and Port of Spain.*—Leikanger, Dec. 29; Evanger, Jan. 25—both Empire Shipping Co.

**Note.**—Firms who desire information concerning ocean and mail services may have their names placed on the mailing list of the Post Office Weekly Bulletin by applying to the Post Office Department.



# COMMERCIAL INTELLIGENCE SERVICE

L. D. WILGRESS, *Director*

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### Australia

*Sydney*: L. M. COSGRAVE. Address for letters—P.O. Box No. 3952V. Office—City Mutual Life Building, Hunter and Bligh Streets. (Territory includes Federal District of Canberra, New South Wales, Queensland, Northern Territory and Dependencies.) *Cable address, Canadian.*

*Melbourne*: FREDERICK PALMER. Address for letters—Box 196C, G.P.O. Office—Safe Deposit Office Building. (Territory includes States of Victoria, South Australia, Western Australia, and Tasmania.) *Cable address, Canadian.*

### Belgium

YVES LAMONTAGNE, Shell Building, 60 Ravenstein Street, Brussels. *Cable address, Canadian.*

### Brazil

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### British Malaya

B. C. BUTLER, Union Building, Singapore, Straits Settlements. (Territory includes the Straits Settlements, the Federated Malay States, the Unfederated Malay States, Siam, British Borneo, and Netherlands India.) *Cable address, Canadian.*

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### France

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### Japan

*Tokyo*: C. M. CROFT, Commercial Secretary. Address for letters—P.O. Box 401, Tokyo Central. Office—Canadian Legation, 16 Omotecho, 3-chome, Akasakaku, Tokyo. *Cable address, Canadian.*

*Kobe*: P. V. McLANE. Address for letters—P.O. Box 230, Kobe. Office—309 Crescent Building, 72 Kyomachi, Kobe. *Cable address, Canadian.*

### Mexico

R. T. YOUNG. Address for letters—Apartado Num. 126-Bis, Mexico City. Office—Edificio Banco de Londres y Mexico, Num. 30, Mexico City. (Territory includes Guatemala, Honduras, and Salvador.) *Cable address, Canadian.*

### Netherlands

J. A. LANGLEY, Coolsingel 111b, Rotterdam. (Territory includes Switzerland.) *Cable address, Canadian.*

### New Zealand

W. F. BULL. Address for letters—P.O. Box 33, Auckland. Office—Yorkshire House, Shortland Street, Auckland. (Territory includes Fiji and Western Samoa.) *Cable address, Canadian.*

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*Johannesburg*: J. L. MUTTER. Address for letters—P.O. Box 715. Office—Prudential Assurance Bldg., 92 Fox Street. (Territory includes Transvaal, Orange Free State, the Rhodesias, Portuguese East Africa, Mozambique, and Nyasaland.) *Cable address, Cantracom.*

### United Kingdom

*London*: FREDERIC HUDD, Chief Trade Commissioner in the United Kingdom, Canada House, Trafalgar Square, S.W.1. *Cable address, Sleighing, London.*

*London*: J. H. ENGLISH, Trade Commissioner, Canada House, Trafalgar Square, S.W.1. (Territory includes Home Counties, Southeastern Counties, and East Anglia.) *Cable address, Sleighing, London.*

*London*: W. B. GORNALL, Fruit Trade Commissioner, Aldine House, Bedford Street, Strand, W.C.2. *Cable address, Canfrucum.* (Territory—for fresh fruit only—includes United Kingdom, Norway, Denmark, Sweden, France, Holland, Belgium, and Germany.)

*London*: W. A. WILSON, Animal Products Trade Commissioner, Canada House, Trafalgar Square, S.W.1. *Cable address, Agrilson.*

*Liverpool*: H. R. POUSSETTE, Martins Bank Building, Water Street. (Territory includes North of England, Lincolnshire, North Midlands, and North Wales.) *Cable address, Canadian.*

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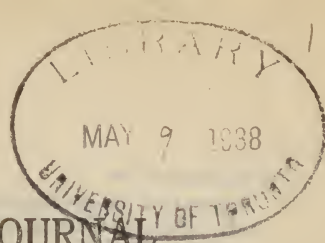
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**Note.**—Bentley's Second Phrase Code is used by Canadian Trade Commissioners.





# I N D E X

## TO THE COMMERCIAL INTELLIGENCE JOURNAL

FOR THE  
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# THE HISTORY OF THE

The first part of the history of the world is the history of the creation of the world and the history of the first man, Adam.

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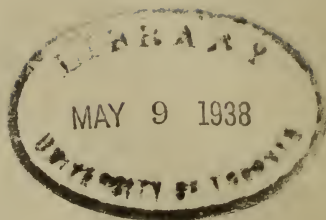
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